

Historic, Archive Document

Do not assume content reflects current scientific knowledge, policies, or practices.

LEGISLATIVE HISTORY

Public Law 831--77th Congress

Chapter 811--2d Session

S. 1666

TABLE OF CONTENTS

| | |
|---|---|
| Digest of Public Law 831 | 1 |
| Index and Summary of History on S. 1666 | 2 |

FEDERAL REPORTS ACT OF 1942. Directs the Budget Bureau Director to investigate needs of Federal agencies for information from business enterprises and others, to investigate methods of obtaining such information, and to coordinate these information-collecting services so as to reduce Government costs and minimize burdens upon persons giving the information, utilizing existing Federal agencies as far as practicable. Authorizes the Director to designate one agency to collect information for more than one Federal agency, to determine whether collection of the information is necessary, and to require cooperation between agencies in making information available. Excepts parts of the Treasury Department from this Act. Provides for protection of confidential information to be transferred between agencies. Prohibits Government questionnaires without the Director's permission. Provides that a person who fails to furnish information requested shall be subject to only those penalties prescribed by law.

INDEX AND SUMMARY OF HISTORY ON S. 1666

June 26, 1941 A report on the "Federal Reports Act of 1941". Senate Report 479.

 H. R. 5180 was introduced by Rep. Harrington and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Similar bill).

 S. 1666 was introduced by Senator Mead and was referred to the Senate Committee on Education and Labor. Print of the bill as introduced.

October 20, 1942 Senate Committee reported S. 1666 with amendments. Senate Report 1651. Print of the bill as reported.

November 2, 1942 H. R. 7756 was introduced by Rep. Patman and was referred to the House Committee on Expenditures in the Executive Departments. Print of the bill as introduced. (Companion bill).

November 23, 1942 S. 1666 was debated and passed the Senate as reported.

November 24, 1942 S. 1666 was discussed in the House.

 Extension of remarks of Rep. Patman.

November 27, 1942 House Committee reported H. R. 7756 with amendments. House Report 2658. Print of the bill as reported.

 House debated H. R. 7756 with amendments. Language of H. R. 7756 substituted for S. 1666.

December 7, 1942 Senate Conferees appointed.

 Extension of remarks of Rep. Fulmer.

December 8, 1942 House Conferees appointed.

December 10, 1942 House received and agreed to the Conference Report. House Report 2722.

December 11, 1942 Senate agreed to the Conference Report.

December 24, 1942 Approved. Public Law 831.

February 11, 1943 Senate Document 4 - 78th Congress. Report of the Joint Committee on Reduction of nonessential Federal Expenditures on "...reports required from the public by the different agencies of Government".

SMALL BUSINESS PROBLEMS

REPORT

OF THE

SPECIAL COMMITTEE TO STUDY PROBLEMS
OF AMERICAN SMALL BUSINESS

PURSUANT TO

SENATE RESOLUTION NO. 298
(76TH CONGRESS)

A RESOLUTION TO APPOINT A SPECIAL COMMITTEE
TO STUDY AND SURVEY PROBLEMS OF SMALL
BUSINESS ENTERPRISES



JUNE 26, 1941.—Ordered to be printed

UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1941

SPECIAL COMMITTEE TO STUDY PROBLEMS OF AMERICAN SMALL
BUSINESS

JAMES E. MURRAY, Montana, *Chairman*

FRANCIS MALONEY, Connecticut

ARTHUR CAPPER, Kansas

ALLEN J. ELLENDER, Louisiana

ROBERT A. TAFT, Ohio

JAMES M. MEAD, New York

TOM STEWART, Tennessee

CHARLES G. DAUGHTERS, *Clerk*

W. H. COBURN, *Assistant Clerk*

CONTENTS

| | Page |
|--|--------|
| 1. Index..... | 77 |
| 2. Foreword..... | 1 |
| 3. Language of the proposed "Federal Reports Act of 1941"..... | 3 |
| 4. Excerpts from 121 small businessmen's complaints of burden of duplication of Government reports..... | 5-19 |
| 5. Excerpts from message of the President of the United States, transmitting a report from the Central Statistical Board on the returns made by the public to the Federal Government (76th Cong., 1st sess., H. Doc. No. 27, Jan. 10, 1939)..... | 21 |
| Foreword..... | 21 |
| Report of the Central Statistical Board ¹ on returns made by the public to the Federal Government..... | 22 |
| Administrative returns..... | 22-26 |
| Nonadministrative returns..... | 23-28 |
| Extent of unnecessary burdens..... | 23, 31 |
| Conclusions..... | 24 |
| Returns by various types of respondents..... | 29 |
| Seasonal distribution of reporting requirements..... | 29 |
| Legal basis for reporting requirements..... | 30 |
| The cost of making returns..... | 30 |
| Duplication in reports on employee earnings..... | 32 |
| Duplication in balance sheet and income reports..... | 33 |
| Lack of centralized authority and of basic records..... | 34 |
| Duplications of legal authority..... | 34 |
| A statutory mandate needed..... | 35 |
| 6. Letter of Mr. M. H. McIntyre, Secretary to the President..... | 37 |
| 7. Extracts from letters from heads of administrative divisions in reply to Mr. McIntyre's letter..... | 39-75 |
| Department of Agriculture..... | 39-41 |
| C. W. Kitchen, Associate Chief, Eric Englund, Assistant Chief, Bureau of Agricultural Economics..... | 39 |
| Louise Stanley, Chief, Bureau of Home Economics..... | 40 |
| C. D. Curtiss, Acting Chief, Bureau of Public Roads..... | 40 |
| F. A. Sileox, Chief, Forest Service..... | 40 |
| A. G. Black, Director of Marketing and Regulatory Work, office of the Secretary..... | 41 |
| Henry A. Wallace, Secretary (footnote)..... | 41 |
| Department of Commerce..... | 41-44 |
| Virgil D. Reed, Acting Director, Bureau of the Census..... | 41-43 |
| Frank T. Bell, Commissioner, Bureau of Fisheries..... | 43 |
| Alexander V. Dye, Director, Bureau of Foreign and Domestic Commerce..... | 44 |
| R. S. Field, Director, Bureau of Marine Inspection and Navigation..... | 44 |
| Department of the Interior..... | 45-46 |
| J. H. Hedges, Acting Director, for John W. Finch, Director, Bureau of Mines..... | 45 |
| Percy Tetlow, Chairman, National Bituminous Coal Commission..... | 45 |
| J. W. Studebaker, Commissioner of Education..... | 45 |
| Nathan Straus, Administrator, United States Housing Authority..... | 46 |

¹ The Central Statistical Board was transferred to the Bureau of the Budget under the First Plan on Government Reorganization, April 25, 1939.

| | |
|---|-------|
| 7. Extracts from letters, etc.—Continued. | Page |
| Department of Labor | 46-48 |
| Mr. Lubin, Bureau of Labor Statistics | 46 |
| Miss Lenroot | 47 |
| W. Frank Persons, United States Employment Service | 47 |
| Mary Anderson, Women's Bureau | 48 |
| Treasury Department | 49-54 |
| Milton E. Carter, Acting Commissioner | 49 |
| George J. Schocneman, Deputy Commissioner | 50 |
| Stewart Berkshire, Deputy Commissioner | 50 |
| John R. Kirk, Deputy Commissioner | 51 |
| Nellie Tayloe Ross, Director of the Mint | 51 |
| Mr. White | 52 |
| Mr. Haas | 53 |
| Mr. Blough | 53 |
| W. S. Alexander, Administrator, Federal Alcohol Administration Division | 54 |
| Thomas Farran, Surgeon General, United States Public Health Service | 54 |
| Board of Governors of the Federal Reserve System | 55 |
| M. S. Eccles, Chairman | 55 |
| Federal Deposit Insurance Corporation | 56-61 |
| Leo T. Crowley, Chairman | 56 |
| Duplication and coordination of statistical work of the Federal Deposit Insurance Corporation with that of other Federal agencies | 56-61 |
| Types of duplication in statistical work | 56 |
| Federal agencies engaged in statistical work in respect to banks | 57 |
| Duplication in and coordination of statistical reports | 57 |
| Duplication in and coordination of reports for administrative purposes | 57 |
| Duplication in and coordination of analysis and publication of data | 58 |
| Procedure for elimination of duplication of reports from banks | 59 |
| Coordination of statistical work of the Federal Government | 60 |
| Advantages and disadvantages of a single agency for all statistical work of the Government | 60 |
| Advantages and disadvantages of a single agency for all bank statistics | 60 |
| Additional functions of the Central Statistical Board | 61 |
| Review and coordination of questionnaire inquiries | 61 |
| Federal Home Loan Bank Board | 61 |
| John H. Fahey, Chairman | 61 |
| Federal Housing Administration | 62 |
| Stewart McDonald, Administrator | 62 |
| Federal Power Commission | 63 |
| Clyde L. Seavey, Acting Chairman | 63 |
| Federal Trade Commission | 64-68 |
| Garland S. Ferguson, Chairman | 64 |
| Statement for the President regarding the organization of the statistical work of the Government | 65 |
| Organizations requiring independent statistical units | 65 |
| A consolidated statistical office | 65 |
| Minor methods of consolidation | 66 |
| Duplication of statistical work | 67 |
| A central advisory office | 67 |
| Conclusion | 68 |
| Interstate Commerce Commission | 69 |
| W. M. W. Splawn, Chairman | 69 |
| Securities and Exchange Commission | 69 |
| William O. Douglas, Chairman | 69 |

| | |
|--|-------|
| 7. Extracts from letters, etc.—Continued. | Page |
| Social Security Board..... | 70-72 |
| A. J. Altmeyer, Chairman..... | 70 |
| The problem of centralization in relation to social security statistics..... | 70-72 |
| III. The function of a central statistical agency..... | 70 |
| IV. Coordination of statistics in the Federal Government..... | 70-72 |
| United States Maritime Commission..... | 72 |
| Thomas M. Woodward, Vice Chairman..... | 72 |
| United States Tariff Commission..... | 73 |
| Oscar B. Ryder, Acting Chairman..... | 73 |
| Works Progress Administration..... | 74-75 |
| Aubrey Williams, Deputy Administrator..... | 74 |

SMALL BUSINESS PROBLEMS

JUNE 26, 1941.—Ordered to be printed

Mr. MEAD (for Mr. MURRAY), from the Special Committee to Study Problems of American Small Business, submitted the following

REPORT

[Pursuant to S. Res. 298, 76th Cong.]

A REPORT ON THE "FEDERAL REPORTS ACT OF 1941"

A bill to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services and to minimize the burdens of furnishing reports and information to governmental agencies upon business enterprises and especially small business enterprises.

FOREWORD

On October 19, 1938, Mr. M. H. McIntyre, Secretary to the President, wrote on behalf of the President to the heads of the various Federal agencies most concerned to determine their views as to the best means of eliminating duplication in the Government statistical and reporting services.

In substance this letter asked opinions on:

1. The possibility of consolidating the statistical reporting work of all agencies into one central agency. ✓

2. If No. 1 were not practical, what consolidations, transfers, and additional coordinating measures are advocated in order to eliminate any unnecessary duplications of inquiries and unnecessary burdens upon the public in the Federal statistical and reporting services?

These replies received by Mr. McIntyre almost unanimously rejected the idea of a consolidation of Federal statistical work into one agency. On the other hand, they just as unanimously advocated the establishing by law or otherwise of an agency to coordinate Federal reporting services and eliminate duplications and costs.

The proposed bill to bring this coordination about has been developed out of a number of conferences between representatives of the Senate Committee to Study Problems of American Small Business and the Bureau of the Budget.

Altogether these conferences number a total of seven and were participated in by Senator James E. Murray, committee chairman; Mr. Harold D. Smith, Director of the Budget; Mr. Edward G. Kemp, general counsel to the Bureau of the Budget; Mr. Crichton Clarke, counsel to the Senate committee; Mr. Stuart A. Rice, assistant director in charge of statistical standards; Mr. Virgil L. Almond,

chief legislative analyst for the Bureau of the Budget; Mr. Henry G. Wood, Senate legislative counsel; and Mr. Charles G. Daughters, Senate committee clerk.

While the matter of the increased demands on the part of Government for statistics and reports from business has become of great concern to all business, it has become a heavy burden upon small business enterprises.

This is established by the large number of small businessmen who have designated this as one of their major problems in their letters to the Senate Committee to Study Problems of American Small Business. Many of these small businessmen have stated their inability to fill out numerous reports, their fear of making mistakes and thus becoming involved with the Federal Government, and therefore they, at substantial cost to themselves, have employed outside accountants and lawyers to make out these reports for them.

Excerpts to this effect from 121 letters to the committee are included herewith as evidence of the seriousness of this problem to small businessmen located in all parts of the United States. This does not by any means comprise all of the complaints to this effect received by the committee. This type of complaint is not confined to small business alone, but comes from all classes of business enterprises in the country.

In addition there is made a part of this report the following data as evidence that the President and the heads of the various Federal agencies almost unanimously advocate a means of coordinating Federal statistical reporting services and the vesting of power in a central agency to bring about this coordination to the fullest extent short of the central coordinating agency usurping the authority to collect statistical data itself.

The correspondence and other data since October 19, 1938, on this subject matter on the side of various Federal agencies is voluminous and therefore pertinent excerpts only have been extracted from this correspondence for the purpose of this report.

1. The language of the proposed Federal Reports Act of 1941.
2. Excerpts from letters of small businessmen.
3. Message from the President of the United States to the Seventy-sixth Congress, first session, transmitting a report of the Central Statistical Board on the returns made by the public to the Federal Government January 10, 1939.
4. Copy of the original letter of Mr. M. H. McIntyre, Secretary to the President, addressed to the heads of Federal agencies under date of October 19, 1938.
5. Pertinent extracts from the replies received by Mr. McIntyre which indicate almost unanimous approval of the plan of coordination proposed in the "Federal Reports Act of 1941."

Since October 19, 1938, under the President's plan of reorganization of the Federal agencies, the Central Statistical Board has become a division of the Bureau of the Budget. Therefore, the proposed Federal Reports Act of 1941 vests the authority in the Director of the Budget.

In the light of this changed status, any extracts of correspondence in this report wherein the Central Statistical Board is mentioned should now be considered as superseded by the Bureau of the Budget.

MAY 22, 1941.

PROPOSED FEDERAL REPORTS ACT OF 1941

A BILL To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to Governmental agencies.

That this Act may be cited as the "Federal Reports Act of 1941."

SEC. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, and that all unnecessary duplication of effort in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable.

SEC. 3. (a) With a view to carrying out the policy of this Act, the Director of the Bureau of the Budget (hereinafter referred to as the "Director") is directed from time to time (1) to investigate the needs of the various Federal agencies for reports and information from the public, from business enterprises, and from other Federal agencies, (2) to investigate the methods used by such agencies in obtaining such reports and information, and (3) to coordinate as rapidly as possible the reporting services of all such agencies with a view to reducing the cost to the Government of obtaining such reports and information and minimizing the burden upon the public and business enterprises.

(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for reports and information from the public and business enterprises will be adequately served by a single collecting agency he shall fix a time and place for a hearing at which the agencies concerned and any interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such reports and other information for any two or more of the agencies concerned, and prescribing the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any report or other information which it is the duty of the collecting agency designated by such order to obtain.

SEC. 4. (a) For the purposes of this Act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after

the date of enactment of this Act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies.

(b) Nothing in this Act shall be construed to require any Federal agency to release any information which it has obtained in confidence from any person unless, in the opinion of the Director, the legitimate interests of such person will be adequately protected upon such release. In the event that any such confidential information is released by any Federal agency to another such agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information.

(c) No information received by any Federal agency solely for the purpose of providing statistical totals or summaries shall be released to or used by any other Federal agency except for statistical purposes, and no information so released shall be used by any Federal agency in violation of personal privilege or legal right.

SEC. 5. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

SEC. 6. As used in this Act—

(1) The term "Federal agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration, in the executive branch of the Government; but such term shall not include the Governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

(2) The term "person" means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State government or branch thereof, or any political subdivision of any State or any branch of any such political subdivision.

SEC. 7. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

JUNE 6, 1941.

NOTE.—The Senate Committee to Study Problems of American Small Business voted unanimously to recommend this bill to the Congress to become effective upon the date of its enactment.

EXTRACTS FROM LETTERS OF SMALL BUSINESSMEN ADDRESSED TO SENATE SPECIAL COMMITTEE TO STUDY PROBLEMS OF SMALL BUSINESS

Massachusetts Code: 1906224.

Inequitable burden of small enterprise of governmental returns and reports. In my small office of three employees, the entire time of one employee is occupied on such returns and reports. This is $33\frac{1}{3}$ percent of my office-labor overhead. Even more burdensome is the fact that these reports take a substantial portion of my time as managing head of my company, which should be devoted to production, sales, and finance.

Georgia Code: 0909232.

Forms cost the small business much more per dollar sales than big business, where the work can be done more efficiently and at less cost with expensive bookkeeping machinery.

Iowa Code: 1302232.

Higher costs for record keeping and making reports to governmental departments are increasing and increasing at a greater rate for small manufacturers, than for the large distributors or producers.

Iowa Code: 1306232.

Small businesses are now required to make out endless reports to the Federal Government, which of itself is a severe burden on the small owner. The money could be spent to much better advantage in other places. We are enclosing a questionnaire we are supposed to fill out which is enough to keep anyone from going into business and discourage anyone who is in business.

Kentucky Code: 1506232.

It is important to remove at least one-half of the burden on small manufacturers due to the overlapping United States Government bureaus, with their constant requests for reports on production and sales, etc., which entail expensive records and confusion without advantage to the small manufacturer.

New York Code: 3017232.

Our most serious problem is the multiplicity of taxes and the consequent records and reports that we are compelled to keep and the enormous expense of keeping them.

Virginia Code: 4402232.

As a small businessman, my greatest complaint today is the endless reports that we are called upon to make. Twenty-five percent of my time and my wife's time, who works with me in this business, is taken up in the making of Government reports, but so far as I can

see I have no benefit whatsoever except that they give somebody a job. Now, I want these folks to have a job, but Mrs. Thomas and myself have to work every night because we can't keep up with these reports and our business too.

Maryland Code: 1803236.

The small manufacturer today is required to keep too many troublesome records for the Government. In big enterprises special clerks can be employed for this work, but the small manufacturer must keep these records himself. To keep these records accurately consumes a great deal of time of the proprietor, thus retarding his activity in productive employment.

California Code: 0414238.

When we started in business 35 years ago, practically no reports were required by the Federal or State Government. Now it takes the expert services of an auditor to make out an income-tax report and with all the other various and sundry reports and records that must be kept, it requires additional labor which means overhead. This overhead means a relatively large increased cost production, the same time as the margin between the cost production and the selling price is getting narrower.

Ohio Code: 3315238.

The small businessman does not have the money to employ an auditor and he gets confused over all of these reports that must be filled out and this takes his time which should be used for the improvement of his business.

Ohio Code: 3313239.

In my estimation, the most serious problem for the small businessman is the number of reports and records that it is necessary for him to keep.

North Carolina Code: 3106251.

Small business is constantly harassed by not having records to suit Government requirements. All we want is to be let alone in the old American way, as we are all suffering from too many remedies.

New Hampshire Code: 2702259.

The increasing number of forms, reports, tax returns, and questionnaires of one kind or another, being required by the Federal Government is burdensome. If this type of nuisance work continues to increase at the same ratio that it has in the last 5 years, a good portion of office employees will soon be working for the Federal Government, even though on private pay rolls.

Wisconsin Code: 4703259.

I am capable of handling business and have always lived in peace and perfect harmony with my customers, competitors, debtors, creditors, labor, and business associates, but I cannot meet the whimsical demands of a hoard of Government bureaus and have any time left to attend to the affairs of my business; and the volume of my business

is not large enough to employ a special man to fill out these various required forms.

Massachusetts Code: 190960.

Our costs in making out various reports have increased more than 700 percent during the past 5 years.

Illinois Code: 1125271.

I took the problem up with our merchants bureau and find that our small businessmen are all worried over the handicap of numerous reports, together with penalties and failures to get them in promptly and accurately.

Texas Code: 4119271.

An annoyance and added expense tacked on to small business is the increasing number of State and Government reports and the failure to simplify this to the utmost. Your small-town businessman is not a highly educated man and these forms are a real burden mentally and financially. There is room for vastly increased simplification, I am sure.

Pennsylvania Code: 3629275.

Government reports are especially burdensome to the small enterprise. Cost of forms or books, time, and especially the worry over the required classifications and liability to make mistakes.

New York Code: 3013279.

The innumerable and duplicating Government reports frequently require so much of the proprietor's time that he does not have sufficient energy and time left to devote to his real problem which is that of making a success of his business at a decent livelihood. Obviously some reports are necessary, but here is a problem that should be studied. Reports should be simplified. Every attempt should be made to eliminate duplicating reports and the tremendous nuisance that these reports involve.

Ohio Code: 3322335.

Simplification of reports and statistics, that the average small businessman has who does not hire accountants to do his work, would be a great help.

Ohio Code: 3320335.

Twenty years ago our problems were problems of production and sales and competition. Today they are problems of dealing with various governmental agencies, keeping posted on their requirements and the reams of regulations that they turn out.

Ohio Code: 3301339.

Too much detail and reports to the Government. Forms are changed every year and have become so complicated they require an

expert for their interpretation. These things are all right for big business, but too expensive for small business.

Massachusetts Code: 1911350.

Too many governmental forms to be filled out and filed.

Pennsylvania Code: 3629362.

Reports to various agencies in the Government. At the present time we are sending in each year to the Federal and State Governments a total of 35 reports. There are others which are not on our regular schedule. This represents a real burden for a small business. We especially criticize the complicated nature of our income-tax returns.

Ohio Code: 3321369.

The time required for records and reports on income taxes, other taxes, and other required reports is a serious problem.

Ohio Code: 3314379.

My opinion is that there are too many reports to fill out that are unnecessary. Big business can make use of these reports and make money by putting their men to studying them, while small business has to take the time to fill all of these reports out and are not capable nor large enough to use the data collected.

Georgia Code: 0905390.

Too much and too many of Government forms to be filled out.

California Code: 0403401.

I think our greatest current difficulty is the activity of the various governmental bureaus. We are audited to death, and rules are changed so frequently that we seldom know where we stand and the cost of maintaining the required records is relevantly more on small than on large business.

Montana Code: 2401401.

There is no question but what increased expenses due to a great degree to taxes, increased bookkeeping, increased reports and labor regulations are the most severe handicaps business has to meet.

North Carolina Code: 3110401.

An earnest and determined effort on the part of the Government to simplify governmental reports of a taxation or other nature so that the reasonably small businessman can understand and handle without auditor help and the confusion and anxiety incident thereto, would be of great help.

Wyoming Code: 4801401.

Frankly, not only because of taxation, but because of the complicated laws of taxation, and the fact we have to keep so many records in connection with making wage-and-hour reports and other reports, our cost has gone up tremendously. We are constantly confronted with uncertainties because of our inability to get clearance of a report

from year to year and we are afraid that we might be implicated in some violation.

North Carolina Code: 3107402.

One of the most important problems of the small businessman is the clarification of the many conflicting laws, necessitating the costly keeping and compiling of highly complicated records (in many instances unnecessary) with continual threat of Government interference and penalties.

Wyoming Code: 4801402.

The first problem of the small businessman is his high overhead caused among other things by expenses incidental to reporting and keeping track of same.

California Code: 0408000.

In most cases we feel that the taxes are more or less unjustified—but to keep the records and fill out the forms becomes quite a burden.

Iowa Code: 1304000.

Making out the average report is as bad as the tax we have to pay.

We cannot afford an all-time secretary, so I have worked late hours at night trying to get these reports out.

Massachusetts Code: 1915000.

Forms are simply a nightmare with my agricultural business and it puts fear into me every time an inspector looks my way.

Minnesota Code: 2101000.

Taxes are necessary but it does keep one person busy most of the time doing the extra bookkeeping necessary.

Missouri Code: 2312000.

Too much bookkeeping required for a bunch of farmers.

New Jersey Code: 2808000.

Since we do not employ any office help, it takes too much time to keep up with all regulations (forms).

Ohio Code: 3307000.

Because of the difficulties connected with interpretation of forms to be sent to Government agencies, a small businessman often has to consult a lawyer or tax expert to make them out.

South Carolina Code: 3802405.

With constant governmental regulation, it makes me feel that our business, although small, is not small enough. I envy today the little one-man business who does not have to employ a great part of his time in making out Government reports and questionnaires.

Oklahoma Code: 3405405.

A small businessman does not have access to expensive advisory

services, legal advice, and other such helpful information that makes it possible for a larger business to set up its organization (and keep its records to avoid penalties in so much of the bureau control).

Oklahoma Code: 3402405.

The average successful small businessman is a salesman and a trader, but is always a poor bookkeeper. His records may be accurate (from his point of view) but rather hard to defend because they are not kept in a certain way.

Ohio Code: 3310405.

We believe that the principal problem of the small businessman is small business which does not permit him to comply with all the regulations and requirements of the State and Federal Government without departmentalizing his business, which means increased overhead and additional personnel. In other words, the demands are as great on a small company as they are on the large corporation, which can afford to have a man for every phase of the business, whereas in a small business keeping the necessary records and making the reports demanded by the Government takes so much time of the manager and office force that they have very little time for promoting business.

Ohio Code: 3305404.

One of the most important problems is the bookkeeping work, such as making out reports, etc. Fifteen years ago I used to do in a couple of hours a day myself what now takes me around \$2,500 per year.

Florida Code: 0801403.

In order to meet Government requirements, the small businessman has to keep many records to satisfy Government agents, who frequently ask for information that in many instances through lack of knowledge on his part he is not able to give them. The majority of small businessmen cannot afford to employ either an experienced bookkeeper to keep his record straight or employ an accountant to take such records as frequently as they should be.

Idaho Code: 1002403.

First, there is too much governmental interference. Small business is bothered with too many reports.

Iowa Code: 1302403.

The tremendous burden of supplying the ever-increasing reports required of small businessmen for the agencies of Government. All this adds up to the fact that it is almost necessary to hire a certified public accountant in even the smallest business to satisfy this demand. What actually happens is that the management today must spend an

ever increasing portion of its time taking care of such matters because of the tremendous prohibitive cost of having it done by others.

Georgia Code: 0910405.

Second in importance to the hardship in conducting our business is the records that have to be kept on social security, unemployment, wage and hour, and other records of statistical importance asked by the Federal Government.

Georgia Code: 0909405.

It takes the highest priced man that I have got in my business two-thirds of his time making and sending off Government reports of various kinds and by the time we get through paying for this work plus our regular expenses we have nothing left.

Georgia Code: 0904405.

Our most important problem is too many Government regulations and too many reports.

Alabama Code: 0108405.

In our opinion small business is beset with too many details incident to the transaction of its legitimate business. I refer to the numerous reports required by small wholesale grocers which curtail his earning time, but do not take care of his expense of operation.

Arkansas Code: 0301405.

The necessary records and reports impose an additional burden out of all proportion as compared to larger concerns. Simplification of the requirements for keeping records would be very helpful.

Florida Code: 0804405.

The additional accounting records have resulted in more expense to small business firms because of the time required to keep them.

Texas Code: 4114405.

Small businesses are greatly burdened and harassed in making reports to the State and Federal Governments. It has been very expensive and very burdensome to keep these reports as required and it requires more or less Federal dictation and supervision and involves penalties for failure.

Texas Code: 4121405.

Between State and Federal reports, it takes about one-fourth of one bookkeeper's time. We realize that we are going to have to pay our share of these taxes and do not object to it, but what we are asking is to cut the red tape and make them payable without so much expense.

West Virginia Code: 4601405.

The present method of Federal taxation is entirely too complicated and costly for small business. Added records and auditing require additional office help; also professional advice which naturally increases our operating expenditures heavily.

Kansas Code: 1401405.

One of the greatest menaces to the independent small businessman is the number of reports we must make. We are all quite statistical-minded these days and the Government does need a great deal of information, but so many bureaus and divisions require small businessmen to make out so many different reports that the whole thing has taken on proportions of absurdity. We think some attention should be given to this subject because small businessmen do not have clerical staffs available and making out these reports, therefore, interferes greatly with putting time on things that are really productive.

Kansas Code: 1401405.

The small businessman is at a disadvantage because these highly technical reports require a good deal of time to study in order to understand them. Time spent in studying and complying with these regulations and making out these reports has to be taken from time spent for general business purposes.

Louisiana Code: 1603405.

We have too many reports to make out.

Maryland Code: 1806405.

The second problem that is facing the small businessman of today is the many governmental reports and regulations to which the small businessman is subjected.

Minnesota Code: 2101405.

We believe that second in importance in problems of small business is the multiplicity of taxes and other reports that are required. The work and time required in making out all of these is quite excessive for a small business and the expense is out of proportion.

Mississippi Code: 2207405.

The complication of taxes, laws, and the enormous amount of extra bookkeeping and innumerable reports to make out is, in our opinion, working a much greater hardship on small business than large business. In a small business with necessarily limited personnel, the management must largely shoulder this burden with the consequence that little time is left for constructive thought and effort.

Missouri Code: 2313405.

It costs just as much for the small concern to set up machinery for keeping the records required by the Government as it does the large

concern and there is likewise little difference in the maintenance of these departments. It would be an interesting study to determine the ratio of this cost and the volume of business.

New York Code: 3031412.

There are too many and too detailed reports required by a multitude of Government agencies and departments. The total effect of burdens of this type is similar to adding one more nonproductive employee to the pay roll.

Pennsylvania Code: 363012.

It our case it takes the larger part of the time of a special high-priced employee to keep the records, making reports under the various laws applicable.

Colorado Code: 0503413.

The expense entailed in keeping records and making reports in connection with collection and reporting of the Federal social-security tax, State sales tax, etc., is a burden for which no adequate remuneration is given.

Wisconsin Code: 4701416.

In our opinion, there are too many records to keep. The large firms can afford capable experts to handle all this detail. The small businessmen have to try to do this work themselves or hire expensive help to assist them.

Massachusetts Code: 1905456.

We believe that there should be elimination of as many as possible Government reports regarding business, both from the standpoint of time wasted and the unnecessary expense forced upon businessmen. We think that there should be complete elimination of different reports of different branches of the Government. One report should serve for all.

Ohio Code: 3308622.

Another problem confronting especially the small country bank is the mounting taxes with the multiplicity of reports required, all entailing added detail work.

Montana Code: 2402623.

The second most important problem is the numerous and complicated reports required. After burning night oil to prepare these reports the small businessman wonders if anybody at Washington ever reads them.

New York Code: 3005750.

The most important problem is the necessity for complying with the request of the Government and the various commissions for in-

formation, and the answering of the numerous questionnaires being sent to small businesses almost daily.

Pennsylvania Code: 3628810.

Too many State and Federal reports, a large number of which could be eliminated if the original report was made out in multiple and copies sent to the different bureaus, both Federal and State. Due to the multiplicity of reports all on different forms the time of an experienced and capable person is almost constantly required. State and Federal tax reports and statistical reports should be uniform.

Colorado Code: 0503851.

When I entered business 45 years ago my only problem was to keep things moving. Now it takes about half of my time making reports to State and Federal commissions and bureaus.

Illinois Code: 1111851.

We have here 30 employees and can afford only 1 office girl. We have 110 reports to make to the various Federal departments, most of which are tiresome repetition. The various forms, penalty dates, and data required would test the patience of a Philadelphia lawyer.

Ohio Code: 3303851.

The multiplicity and complicity of tax forms and other reports with the resulting exorbitant accounting costs.

Pennsylvania Code: 3620852.

Another burden to the small businessman is because of his size he cannot afford to keep someone constantly making out a multitude of what seems to be useless and unnecessary duplicating reports.

Ohio Code: 3321871.

The extremely large number of excessively detailed reports which we must file with the State and Federal bureaus add unduly to the expense of operation. The complex nature of these reports often requires the advice of legal counsel or other experts. Large corporations generally retain in their own organization experts who can handle these matters. Small business must seek outside help and is generally forced to pay more money for service rendered. Simplification and, wherever possible, elimination of such forms would greatly alleviate this problem.

Texas Code: 4110950.

Many small firms do not have even adequate records of business, much less an analysis of their records, to give them adequate data on the costs of production, broken down by departments and processes. The Government's activities have forced the small businessman to try to keep a great many records which he is unprepared to work out and set up adequately.

Arizona Code: 0201580.

There are so many reports to make, licenses and permits to secure, and agency investigations which take valuable time away from the business and increase office costs.

Mississippi Code: 2206613.

We are not objecting to taxation, but we do think that the vast amount of reports could be reduced and the fear that the small businessman has of making mistakes could be eliminated. Isn't there some way that small businesses might be permitted to report to one bureau and be assessed by that bureau and let this bureau distribute the taxes?

Ohio Code: 3322560.

Our records and reports require so much time and are so difficult to keep that it leaves little time to look after the business and the result is that we don't make money to pay taxes.

Alabama Code: 0108960.

There are too many complicated reports.

Arizona Code: 0201960.

So many reports are required; so many permits and licenses are required; so many governmental agencies investigate and interview. Much of the small businessman's time is taken up with such matters.

California Code: 0401960.

The increased cost of business overhead because of the time consumed and the additional help required in making up the many and sometimes difficult reports required.

California Code: 0404960.

To simplify and reduce the number of reports required by governmental agencies. The number of reports to all governmental agencies has increased to a point where the office help is so overburdened that additional help must be employed.

Michigan Code: 2005960.

The greatest threat to our free competitive system lies in Government restriction. The multiplicity of bureaus, commissions, taxing agencies, and numerous required reports are confusing and dazzling to the average individual in business. None of our membership, do we feel, comes within big business. However, the smaller their business the more complex the whole system of government seems to be.

Minnesota Code: 2105960.

Cut down Government red tape. The requirements for keeping records for taxes and Government statisticians has added 10 to 15 percent to the cost of carrying on a business. So much unnecessary red tape that adds nothing to business is killing the small business.

Minnesota Code: 2105960.

An excessive amount of time is consumed in making out reports and adjusting bookkeeping systems to coincide with reporting methods.

Missouri Code: 2306960.

From the standpoint of the number of people who reported it was the matter of too many reports and they felt that many reports should be simplified to relieve the burden.

New York Code: 3014960.

The number and complicated nature of tax reports of all kinds—Federal, State, and municipal—that the head of a small business is required to file are so numerous and the amount of data necessary to keep for them is so great that something should be done to simplify the whole procedure.

Ohio Code: 3312960.

We have constantly higher operating costs because of the number and complexity of records which must be kept and reports which must be prepared and filed. The repressive influence exerted by the burden of maintaining such records and compiling and filing the numerous types of reports required by the various governmental agencies is very much greater in the case of small business concerns than in the case of large corporations. The proprietors of small business concerns have neither the aptitude nor the experience required to set up and maintain records and prepare such reports.

Ohio Code: 3320960.

We object to the creation of jobs through legislation, and the necessity arising from such legislation which compels the small businessman to retain legal advice, so called "expert hire" in addition to direct clerical hire incidental to the keeping of special records and the making of numerous reports for the several Federal and State agencies.

Oklahoma Code: 3401960.

Too much Government control. By this I mean that what we term as a "small businessman" is required to keep more records, file more reports, and comply with more laws than the volume or margin of profit in his business justified.

Oklahoma Code: 3408960.

I believe the largest problem confronting small business is that of keeping informed on tax laws, labor laws and the reports involved.

Texas Code: 4112960.

Another grievance is the avalanche of questionnaires and forms which these firms, operating of necessity with a limited personnel, are compelled to fill out constantly.

Oklahoma Code: 3406500.

Last year I paid personal tax, property tax, sales tax, income tax, to State; gasoline tax, excise tax, cigarette tax, dog tax, and a few others. They want you to be writing letters and making reports all the time.

Indiana Code: 1209500.

In making our quarterly report on our Indiana gross-income tax and our annual report on our Federal income tax the small merchant is expected to have a complete set of books and his business does not justify this extra expense.

Iowa Code: 1302500.

We must use at least 2 to 4 days each year in making presentable records for State sales taxes. We must use valuable time daily to keep records and take care of State money taxes.

Iowa Code: 1308500.

Another problem of the small businessman is the numerous reports he has to make out for all the different kind of taxes he pays. The time and effort it takes to keep records and make these reports could very profitably be used for giving more attention to his business.

Louisiana Code: 1605500.

Having to make too many reports costs money and interferes with productive work.

New York Code: 3037500.

The most difficult business problem we have is, among other things, the constant stream of blanks to fill out, questions to answer, most of which we do not understand.

Ohio Code: 3307500.

We are required to spend too much of our time on records and reports to county, State, and Federal Government, so that we have to neglect our business, and our overhead will not permit the necessary amount of help to attend to this.

Ohio Code: 3312500.

The amount of taxes is not the problem alone, but reports, some overlapping each other.

Ohio Code: 3313500.

Too many tax reports. This necessitates more bookkeeping—additional help, increased expense.

Ohio Code: 3318500.

And even worse are the complicated blanks the small businessman must fill out to pay his taxes, in particular, the personal property tax return.

Ohio Code: 3319500.

The constant amount of reports and bookkeeping caused by State and National tax and labor regulations.

Oklahoma Code: 3403500.

The only hampering problem that I see that I have is the matter of so many records that I am forced to keep gratis.

Ohio Code: 3306520.

With reference to the problems of small business our small corporation is in need of some respite from long and detailed reports. Beginning with January 1, each year we are deluged with unending reports until the 31st of December. Then the same program is duplicated with many new ones added.

Minnesota Code: 2107541.

A very large number of small businessmen have to, at present, even if they have not made a solitary cent during the year, make these reports. And what does the average man know about these complicated reports and the days and nights he works on them trying to get the figures in the right place?

Ohio Code: 3319551.

The greatest problem of small business as I find it in my own retail drug store is this: The innumerable reports to be filed with government agencies. Ours and most small businesses have a small office force or none except the proprietor. A great amount of his time is now required which could well be used in selling or planning, in making up reports.

New York Code: 3024551.

I find that I am today required to file a multiplicity of reports which in some cases has resulted in a duplication of effort on the part of my office staff, and hence has resulted in an increased amount of work imposed without regard by the tax authorities to the shortcomings of the average retailer, who must maintain such records and file such reports.

Ohio Code: 3322560.

Our records and reports require so much time and are so difficult to keep that it leaves little time to look after the business. The result is that we don't make money to pay taxes.

Illinois Code: 1125551.

One would think the main object of business just now is to keep records in order to make reports—and pay taxes. Has anyone ever tried to figure out just how many reports have to be made out of late and what it means to lay this burden upon the shoulders of little business? It robs business of doing the business intended.

Arizona Code: 0201580.

There are so many reports to make, licenses and permits to secure, and agency investigations take valuable time away from the business and increase office cost.

Washington Code: 4503611.

In recent years the cost of governmental accounting and reporting has increased to the extent of becoming a great burden upon small business.

Mississippi Code: 2206613.

We do think that the vast amount of reports could be reduced and the fear that the small businessman has of making mistakes could be eliminated.

New York Code: 3029618.

We object to the multitudinous Government reports. Some of them refer to prices, others labor reports, old-age pension, social security and all have just meant much more bookkeeping and an enormous increase in overhead expense.

Kentucky Code: 1508490.

The small businessman is handicapped as to keeping records, not being large enough to employ a special bookkeeper.

Arkansas Code: 0307500.

All the work involved in keeping records and making out reports takes up so much of my time that I had to use another girl in the store.

Ohio Code: 3305500.

The many kinds of taxes, such as social-security, unemployment, county and State, besides eating up any possible earnings, also take so much of the employer's time in filling out blanks, etc.



EXCERPTS FROM MESSAGE FROM THE PRESIDENT OF
THE UNITED STATES TRANSMITTING A REPORT OF
THE CENTRAL STATISTICAL BOARD ON THE RETURNS
MADE BY THE PUBLIC TO THE FEDERAL GOVERN-
MENT

Seventy-sixth Congress, first session, House Document No. 27, January 10, 1939

LETTER OF TRANSMITTAL

To the Congress of the United States:

I transmit herewith, for the information of the Congress, a report of the Central Statistical Board on the Returns Made by the Public to the Federal Government. I recommend that this report be printed as a public document.

FRANKLIN D. ROOSEVELT.

The WHITE HOUSE, *January 10, 1939.*

LETTER OF SUBMITTAL

CENTRAL STATISTICAL BOARD.
Washington, D. C., December 31, 1938.

THE PRESIDENT,

The White House, Washington, D. C.

MY DEAR MR. PRESIDENT: In response to the request in your letter of May 16, 1938, I have the honor to submit herewith a report of the Central Statistical Board on Returns Made by the Public to the Federal Government.

Very respectfully,

STUART A. RICE, *Chairman.*

FOREWORD

This report has been prepared in response to a request by the President in a letter of May 16, 1938, to the chairman of the Central Statistical Board which reads as follows:

"I am concerned over the large number of statistical reports which Federal agencies are requiring from business and industry. In view of comments that come into this office, I desire to know the extent

of such reports and how far there is duplication among them. Accordingly, I am requesting the Central Statistical Board, under the authority of section 1 of the act creating the Board, to report to me on the statistical work of the Federal agencies, with recommendations looking toward consolidations and changes which are consistent with efficiency and economy, both to the Government and to private industry.

"Specifically, I am interested in the approximate number of financial and other statistical reports and returns regularly required from business and industry and from private individuals by agencies of the Federal Government under existing law, and the authority under which each is collected; specific indications of the extent and kinds of duplication existing among them, and the diversity of accounts and records which they necessitate. I assume that exhibits of the questionnaires and report forms are already available in large part in the Board's files, and I am sure that all of the Federal agencies will cooperate in providing any additional information that is relevant.

"With a view to reducing the amount of duplication in statistical reports, will you indicate the principal points at which the enactment of legislation by the Congress appears to be necessary in order to effect consolidations or changes, with the recommendations of the Board regarding them.

"I should like to have the complete report of the Board by January 1, 1939."

The Board's investigation has been closely restricted to the subjects specifically itemized in the foregoing letter.

* * * This committee was authorized to assemble and study all report and return forms used by Federal agencies to collect information from the public during the year ended June 30, 1938. The committee's survey resulted in a systematic appraisal of the extent and causes of duplications among these forms and of the unnecessary burdens which they create. * * *

REPORT OF THE CENTRAL STATISTICAL BOARD ON RETURNS MADE BY THE PUBLIC TO THE FEDERAL GOVERNMENT

* * * * *

ADMINISTRATIVE RETURNS

* * * In its survey of Federal forms and returns, the Board classed as "administrative" those returns which were used by the collecting agencies to administer some law or regulation affecting the individual respondent or his employees.

For the year ended June 30, 1938, the number of administrative returns was about 97½ million, of which about one-third were applications of various kinds. * * * On the average, about 53,000 returns were made on each administrative form. There were some 10,000,000 income-tax and informational returns. Seventeen million tax and informational returns were required in connection with the old-age insurance program. The number of returns intended to enable the Government to regulate enterprises vested with a public

interest was also large, although much smaller than the number connected with taxation or with the provision of governmental services to respondents.

The length and scope of administrative returns vary widely. They range from post-card answers to a few simple questions to complex regulatory reports containing more than a hundred pages. Nearly all of the information obtained from the public on these various administrative forms is essential to the proper performance of the functions of government as prescribed by law. * * *

NONADMINISTRATIVE RETURNS

The Government also collects a large volume of information which, although not directly concerned with administrative questions, is necessary for the formulation of public policy. Such information is usually obtained by the use of questionnaires sent through the mail, or through enumerators who go from house to house or from office to office. In its survey the Board classed as "nonadministrative" all returns which did not comply with the definition of "administrative."

The most familiar of the more general or "nonadministrative" inquiries is the decennial census of population, which was not part of the activity of the past fiscal year. * * *

During the fiscal year ended June 30, 1938, the nonadministrative returns to Federal agencies numbered about 38,000,000. Of these, a single inquiry, the Census of Partial Employment, Unemployment, and Occupations accounted for about 12,000,000 returns. Other inquiries accounted for returns varying in number from 20 or 30 to several million.

EXTENT OF UNNECESSARY BURDENS

* * *, there are cases in which an unnecessary burden is imposed upon respondents.

For example, it has been found that in a number of lines of business a concern's total pay roll in a given period may be reported in as many as 12 different Federal forms. Information on total revenue from sales may be required in as many as half a dozen forms. There is extensive overlapping between information reported annually by business enterprises for income-tax purposes and information reported in various business surveys. In several instances yearly production statistics collected by one Federal agency have already been reported currently by months or by other short periods to the same or to some other Federal agency. In a few cases substantially the same information is reported monthly to two Federal agencies. Much of this duplication may be unavoidable and may impose no serious hardship on respondents. It is nevertheless certain that in some cases an unnecessary number of separate reports are required from the same respondent.

Various examples of duplication result from annual financial statements, which may be required for a number of governmental purposes, mainly connected with regulation or taxation. The Federal income-tax laws call for such statements. Registrant and listed corporations must file them with the Securities and Exchange Commission. Regulatory commissions, such as the Interstate Commerce

Commission and the Federal Power Commission, require financial statements from corporations under their jurisdiction. A highly integrated corporation doing business in more than one field may come under two or more jurisdictions. When State and nongovernmental requirements for financial statements are added to Federal requirements the situation becomes highly complicated. It should be possible in some measure to reduce the amount of duplication of information in such financial returns.

Some of the more conspicuous of the specific duplications in reporting requirements arise from the fact that both State and Federal Governments collect income taxes and that both have to do with social-security administration. For example, a very large proportion of all employers are called upon four separate times to report the individual earnings of a substantial number of their employees during a given time period. They must report twice to the Federal Government and twice to the government of the State in which the employee works.

It also appears that existing business accounting practices are not always taken sufficiently into consideration, either in the language of the statutes or by Government agencies, in determining what information will be required. Furthermore, in some instances, the statutory requirements or the administrative processes of government may compel business concerns to maintain unnecessarily detailed or duplicating records.

In situations of all of these types, the burden of proof, in general, rests upon the governmental agencies concerned to establish the necessity of duplication. This principle requires the formulation of instruments and procedures which will relieve the public from unnecessary reporting requirements. Such a formulation is attempted in this report.

CONCLUSIONS

On the basis of its study of returns made by the public to the Federal Government last year, the Board concludes:

1. That the greater number of such returns are necessary to the Government, either for purposes of administration or regulation.
2. That most of the statistics not collected for the purposes stated in (1) are needed for policy-making purposes or are the result of proper demands from the public for information which cannot be privately gathered.
3. That there is, in general, a clear warrant for the direct collection of information needed for the proper performance of their functions by the several agencies charged with administration or regulation; but that in some cases such information can be adequately secured through other Government agencies.
4. That governmental requirements for reports and returns impose a burden on respondents which is, in part, unnecessary and which can to some extent be lightened.

It follows from these conclusions (a) that the Federal statistical and reporting services should remain largely decentralized so that they may be associated with the respective governmental functions

to which most of them specifically relate; and (b) that there is continuing need for a statistical coordinating agency with a specially trained staff and with broad powers.¹

Consistent with these conclusions and in compliance with the request of the President in his letter, the Board makes the following recommendations, each of which is discussed, as indicated, in later pages of this report. If accepted, these recommendations will provide practicable measures for the methodical reduction of reporting burdens upon respondents to Federal inquiries. The separate recommendations are interrelated and together are intended to present a unified program "looking toward consolidations and changes which are consistent with efficiency and economy, both to the Government and to private industry."

1. That it be recognized as sound in principle and necessary in practice that the various statistical and report-collecting services of the Federal Government be for the most part attached to agencies having administrative or other responsibilities relating to the subjects of the reports; and that, because of this decentralization of the statistical and reporting services, it is essential that there be a statistical coordinating agency with adequate powers. (See p. 30.)

2. That provision in law be made to relieve any Federal agency or officer of any requirement under existing law directing the collection of reports from the public, if substantially equivalent information which will meet the needs of such agency or officer is available from other reports to any Federal agency. (See p. 25.)

3. That provision in law be made to promote and encourage Federal agencies collecting information on a confidential basis to make such information available for the use of other Federal agencies under rules designed to afford proper protection for the interests of individual respondents, these rules to be promulgated by the President upon recommendations of the statistical coordinating agency. (See p. 28.)

4. That in cases where the statistical coordinating agency is unable to reduce or eliminate unnecessary duplication in reports to Federal agencies, it be required to hold a hearing on the nature and reasons for such duplication and to report its findings to the President; and that the President be given power to eliminate such duplication. (See p. 28.)

5. That provision in law be made that, notwithstanding any previous provision of law to the contrary, no respondent shall be required to report information to a Federal agency when such information is obtainable from reports previously made to the same agency, unless the collecting agency shall have established before the statistical coordinating agency that the duplicate request is necessary. (See p. 28.)

¹ During the past 5 years the Central Statistical Board has made substantial progress in its coordination of the Federal Statistical and reporting services. However, a statistical coordinating agency with increased powers is necessary if the remedies proposed in this report are to be successful. A consideration of its form of organization or of its relationship to the present board involves questions outside the scope of this report. For this reason the impersonal designation "statistical coordinating agency" has been used throughout the present pages, and the Central Statistical Board has been mentioned only when referring to its completed or current work.

6. That provision in law be made as follows: (a) That when the needs of two or more Federal agencies for reports pertaining to a given field of interest or from a given group of respondents can satisfactorily be met by the collection of such reports through a single agency serving as the agent of both or all such agencies; and when the statistical coordinating agency after due investigation shall have found such an arrangement to be in the public interest, it shall, subject to approval of the President, provide for the collection of the reports involved by a single agency which it shall designate; (b) that after such a designation such arrangements shall apply to any new collection service within the field of interest or involving the group of respondents in question, unless the need for other arrangements is established before the statistical coordinating agency; and (c) that such arrangements shall be extended to reports now being collected, as soon as found practicable and in the public interest; provided that such arrangements shall not be allowed to hamper any agency in obtaining information needed in the performance of its duties. (See p. 36.)

7. That further consideration be given to technical changes in the Federal tax laws and procedures which would provide, insofar as is consistent with fiscal policy, for: (a) The consolidation of tax returns in cases in which any considerable group of persons is required to file two or more types of such returns in any one year; (b) acceptance by the Bureau of Internal Revenue, in lieu of all or part of any tax return, of any sworn report made to a regulatory agency which provides the required information; and (c) such other modifications in tax returns as would lighten the burden of making reports either to the tax authorities or to other Federal agencies. (See p. 25.)

8. That the statistical coordinating agency be directed to arrange for the establishment and maintenance of classified address lists of respondents so that for each important group of respondents there may be a standard list available to all Federal statistical and report-collecting agencies. (See p. 37.)

9. That Federal agencies be required by law to keep uniform records of all questionnaires and report forms adopted and used to collect information from the public and to make reports on their adoption and use to the statistical coordinating agency; and that responsibility in each agency for authorizing the use of such forms and for the maintenance of such records be centralized. (See p. 24.)

ADMINISTRATIVE RETURNS

* * * * *

TABLE I.—*Administrative returns to the Federal Government, fiscal year 1938*

| | Number of returns in millions (1) | Percent of total (2) |
|--|--|----------------------------|
| All administrative returns..... | 97.5 | 100 |
| Returns to Bureau of Internal Revenue and to Customs Bureau (excluding regulatory returns and all social Security returns)..... | 16.8 | 17 |
| Income-tax and informational returns..... | 10.3 | 10 |
| Customs declarations..... | 4.6 | 5 |
| Other Bureau of Internal Revenue returns..... | 1.9 | 2 |
| United States Employment Service..... | 11.5 | 12 |
| Social security program..... | 30.7 | 32 |
| Employer applications for identification numbers..... | .8 | 1 |
| Employee applications for account numbers..... | 10.0 | 10 |
| Tax and informational returns..... | 18.0 | 19 |
| All other returns..... | 1.9 | 2 |
| Reports by regulated enterprises to regulating agencies, including the regulatory services of Bureau of Internal Revenue..... | 10.6 | 11 |
| Farm returns not included above..... | 17.6 | 18 |
| Applications..... | 6.7 | 7 |
| Other..... | 10.9 | 11 |
| All other administrative returns..... | 10.3 | 10 |

The 10,000,000 returns of regulated enterprises to regulatory agencies included a great variety of types. Although relatively not numerous, there were included here the important and often highly detailed reports by railroads to the Interstate Commerce Commission; by communication companies to the Federal Communications Commission; by electric power companies to the Federal Power Commission; by banks to the banking authorities; and by registrant, listed, and holding companies to the Securities and Exchange Commission. About a million and one-half returns were made by coal mines to the National Bituminous Coal Commission and somewhat less than 2,000,000 returns by water carriers to the Bureau of Marine Inspection and Navigation. Regulation of the production and sale of alcoholic beverages accounted for over 3,000,000 returns. Meat inspection and special information on the tobacco industry resulted in more than a million returns each. The administration of the Pure Food and Drug Act accounted for about one-half million returns.

The 10,000,000 returns in connection with miscellaneous administrative purposes included returns to such agencies as the Bureau of Immigration and Naturalization, the Commodity Credit Corporation, the Public Works Administration, the Federal Housing Administration, and the Veterans' Administration.

About one-third of the administrative returns in table I were applications for some service, benefit, or privilege. They included a request for the assignment of social-security numbers; registrations with the United States Employment Service; import declarations; and requests on the part of farmers, home builders, and others for loans, financial assistance, or other benefits. Other applications were connected with regulatory functions of the Government, such as requests for permits required before the applicant could engage in specific business operations, and for the registration of securities with the Securities and Exchange Commission. * * *

NONADMINISTRATIVE RETURNS

* * * The 2 forms used in the Census of Unemployment were in the aggregate filled out by 12,000,000 persons. Some of the non-administrative forms call for monthly, quarterly, or other periodic reports, while others relate only to individual occurrences such as a birth or a death.

The 4,000,000 birth and death certificates received by the Bureau of the Census were transcripts of reports originally made to States or local units of government.³ Most of the other returns to that Bureau were reports which provide current information on business conditions. The Censuses of Manufactures and Electrical Industries were also included. In a decennial census year or in a year when a quinquennial census of agriculture was taken, the number of returns handled by the Bureau of the Census would be very much larger. A large proportion of the returns to the Bureau of Agricultural Economics was in connection with the Market News Service. The reports to the Bureau of Labor Statistics had to do not only with current pay rolls and employment and with labor conditions, wages, and hours of labor, but also with wholesale and retail prices and costs of living.

The continuous and urgent demand on the part of articulate business groups for more and more highly detailed information has played an important part in shaping the current business reports included among these nonadministrative returns, and in developing them to their present volume.

The nearly 8,000,000 returns to the United States Employment Service included in table II were classified as "nonadministrative" because they did not comply with the definition of "administrative" returns set forth on page 8. That is, they were not used to apply some law or regulation to the individual respondent. At the same time these returns were not primarily designed to supply information needed for policy making. Most of them represent contacts established with employers by the United States Employment Service in connection with openings for job seekers.

TABLE II.—*Nonadministrative returns to the Federal Government, fiscal year 1938*

| | Number of returns in millions (1) | Percent of total (2) |
|---|--|----------------------------|
| All nonadministrative returns..... | 38.2 | 100 |
| Census of Unemployment..... | 12.0 | 31 |
| Bureau of the Census: | | |
| Birth, death, and stillbirth transcripts..... | 4.1 | 11 |
| Other returns..... | .9 | 2 |
| Bureau of Labor Statistics..... | 1.8 | 5 |
| Bureau of Agricultural Economics..... | 4.1 | 11 |
| Shippers' export declarations..... | 3.8 | 10 |
| United States Employment Service..... | 7.8 | 20 |
| All other nonadministrative returns..... | 3.7 | 10 |

³ These transcripts are reedited after reaching Washington, and correspondence with the attending physician or other person preparing the original certificate is often involved. Hence they become, in a sense, original documents and it seems appropriate to regard them as Federal returns.

RETURNS BY VARIOUS TYPES OF RESPONDENTS

The most significant classification of the returns to the Federal Government from the standpoint of revealing burdens upon respondents is one on the basis of the kinds of respondents making the returns. The information secured in the Board's survey makes possible only a rough apportionment of administrative and statistical returns among different groups of respondents. It is estimated that about 21,000,000 returns were filed for farms, making an average of approximately three returns per farm during the year. A total of 60,000,000 returns were received from industrial, commercial, and financial enterprises (not including farms but including all other types of business) or an average of about 20 per enterprise. On the average, each of these business returns contained answers to about 65 questions. These averages conceal wide differences among different classes of business. As might be expected, the returns, in general, were most extensive for regulated enterprises and for large-scale unregulated enterprises. The average number of returns filed per railroad was more than a thousand, and the average number of questions answered per return was about 150. For a group of large-scale enterprises, including manufacturers of automobiles, electrical apparatus, and steel, the average number of returns per respondent was about 250, while the average number of questions answered per return was 65. In contrast with these large concerns, the average independent retail store filed about 10 returns with the Federal Government and answered about 50 questions per return. * * *

SEASONAL DISTRIBUTION OF REPORTING REQUIREMENTS

* * * In order to determine the seasonal variations in reports to the Federal Government, an analysis was made of the 60,000,000 returns from business respondents (not including farmers) filed during the fiscal year 1938. Two circumstances made it necessary to exclude a considerable proportion of the returns before attempting the seasonal distribution. There were some 17,000,000 tax and informational returns in connection with the old-age insurance program which were distributed somewhat unevenly through the fiscal year 1938, because the pay-roll tax was on a monthly basis during one part of the year and on a quarterly basis during another, and because the informational returns were shifted from a semiannual to a quarterly basis. It may be assumed that these returns will hereafter be distributed more evenly throughout the year. Consequently, these returns were excluded. In addition there were slightly more than 27,000,000 returns which could not readily be assigned to different quarters of the year. These include various application forms, as well as such forms as export declarations and loan agreement forms of the Commodity Credit Corporation.

The remaining 16,000,000 returns accounted for more than 40 percent of the answers entered on all these 60,000,000 returns from business respondents. When these 16,000,000 returns were assigned to quarters it appeared that nearly twice as many of them were made in the quarter January to March as were made in any other quarter. The number of answers on these 16,000,000 returns was even more unequally distributed, half being in the January-to-March quarter.

LEGAL BASIS FOR REPORTING REQUIREMENTS

Counting both the administrative and the nonadministrative reports and returns, the Board's inquiry revealed that some 49,000,000 of the total during the year were collected in accordance with statutory provisions specifically authorizing or directing the collection of reports of the types called for. Approximately 55,000,000 returns were collected by agencies in connection with their performance of functions which were specifically authorized by statutes, although the statutes did not specify the reports. In such cases the information sought was obviously necessary in carrying out the required functions. Nearly 27,000,000 returns were collected by Federal agencies on report forms for each of which the legal authority was too general or too indefinite to permit its clear definition.⁷ The remaining 5,000,000 returns were made under a variety of types of legal authorities including authorizations implied in appropriations made specifically to support the collection of the reports.

Somewhat less than half of the returns made to Federal agencies on all forms, administrative and nonadministrative (not counting application forms of various sorts the need for which is obvious) were mandatory by law, in the sense that a penalty is prescribed in case of failure of the respondent to file a required report. Some of these mandatory returns are very elaborate, and as a consequence over 60 percent of the total number of answers on report forms, other than applications, were in accordance with mandatory requirements.

THE COST OF MAKING RETURNS

Reliable information on the cost of making returns is exceedingly scanty. A small number of business enterprises submitted their cost data to the Board. For these business concerns the average cost per return of making returns to the Federal Government was a number of times the known cost per return to Federal agencies for collection, compilation, and publication.

The cost to a respondent directly traceable to the preparation of a regular report or return includes the expense of assembling and compiling the information from his records and verifying it. In addition, the respondent may have incurred in the past (or for some reports may still be incurring) a considerable cost in adapting his records so as to provide the information requested in the way prescribed. A new report, especially if it does not conform closely to the usual method of keeping business records, may thus impose an additional initial burden.

As a factor in total business costs, the cost of reporting to the Government can no more be viewed as unproductive than can the cost of accounts kept by business for internal use. In many cases business as well as Government needs the compilations of information which existing administrative and statistical reports provide. The businessman needs statistical information if he is to plan his business operations intelligently. In fact, not infrequently he is prepared to pay for such services on a commercial basis, and a number of private statistical agencies have grown up to meet this demand. * * *

⁷ It should be observed that the importance of the information collected in these several groups of returns cannot be gauged by the comparative definiteness or vagueness of the legal authorizations behind them.

THE EXTENT OF UNNECESSARY REPORTING BURDENS AND DUPLICATIONS

The present volume of Federal reporting requirements is mainly a direct reflection of the governmental activities to which the reports are incidental, but it does not follow that all of these requirements are necessary. In an appreciable number of instances, duplication in collection of information can be eliminated. There are also instances in which one agency requires a respondent to keep records and make reports on one basis while another agency, without adequate reason, requires him to keep records and make reports on a different basis. The result of these conflicting requirements is a burden which can be lightened. * * *, from the point of view of the respondent there is substantial duplication when he is called upon, for example, to furnish his balance sheet to two Government agencies, no matter how important the differences in the form of statement called for and in the purposes for which the information it contains is sought.

The difficulty of obtaining common agreement as to the existence of duplication may be illustrated more specifically: In some cases two agencies may request the respondent's pay roll or employment total for the same period. However, one may require a particular breakdown of the information, as by establishments, while the other may not. This means that the report to the latter agency is not satisfactory to the former. Not infrequently the period of time covered by reports to two agencies is different, as in the case of Wednesday figures and Saturday figures for weekly department store sales. Again, two sets of reports may ask for pay-roll total, but one may call currently for the pay roll for each month, the other for a single over-all figure for the calendar year. Even with no other differences in the data called for, such a difference in period covered is likely to be regarded by the collecting agencies as an adequate ground for two sets of returns. From the point of view of the respondent, however, there is duplication. He has reported his pay roll twice for the same pay period.

* * * * *

If "duplication" is interpreted broadly to include requirements in two or more sets of reports for information that appears to be "substantially equivalent," then there is no doubt that a considerable amount of duplication is involved in present Federal reporting requirements. * * *

Federal report forms calling for total pay roll or number of employees or both from selected groups of respondents

| Respondent groups | Number of forms | | | | Number of agencies |
|--|-----------------|-----------------------|-------------------------|---------|--------------------|
| | Total | Annual and occasional | Semiannual or quarterly | Monthly | |
| | (1) | (2) | (3) | (4) | (5) |
| Automobile and equipment manufacturers..... | 12 | 8 | 2 | 2 | 4 |
| Iron and steel manufacturers..... | 14 | 10 | 2 | 2 | 4 |
| Electrical machinery manufacturers..... | 14 | 9 | 3 | 2 | 4 |
| Bituminous coal mines..... | 12 | 9 | 1 | 2 | 5 |
| Railroads..... | 12 | 8 | 1 | 3 | 5 |
| Water transportation companies..... | 21 | 20 | 1 | 1 | 8 |
| Telephone, telegraph, and radio companies..... | 18 | 15 | 1 | 2 | 5 |
| Electric and gas companies..... | 12 | 9 | 1 | 2 | 6 |
| Retail chain stores..... | 9 | 7 | 1 | 1 | 3 |
| Banks..... | 8 | 4 | 4 | ----- | 5 |

¹ Includes 1 semimonthly form.

* * * * *

DUPLICATION IN REPORTS ON EMPLOYEE EARNINGS

At the present time many employers are required to make out four sets of reports of individual earnings:

1. An annual Federal income-tax informational return for each employee receiving \$1,000 or more if single and \$2,500 or more if married.

2. A corresponding informational return to the State in which the employee works (reporting limits vary from State to State; 33 States require such returns).

3. A quarterly return on individual earnings up to and including \$3,000 for each employee for the purposes of the old-age insurance program.

4. A corresponding State return for purposes of unemployment compensation.

The best solution of this problem would be to work out a single, all-purpose, consolidated State-Federal return on the earnings of individual employees. If this proved impracticable, it should at least be feasible to develop a single return to the Federal Government and a single return to each State government needing the data.

* * * * *

Federal report forms calling for total gross operating revenue or total value of products by selected groups of respondents

| Respondent groups | Number of forms | | | | Number of agencies |
|--|-----------------|-----------------------|-------------------------|---------|--------------------|
| | Total | Annual and occasional | Semiannual or quarterly | Monthly | |
| | (1) | (2) | (3) | (4) | (5) |
| Automobile and equipment manufacturers..... | 3 | 2 | ----- | 1 | 3 |
| Iron and steel manufacturers..... | 6 | 3 | ----- | 3 | 5 |
| Electrical machinery manufacturers..... | 4 | 2 | 1 | 1 | 3 |
| Bituminous coal mines..... | 7 | 5 | ----- | 2 | 2 |
| Railroads..... | 6 | 4 | ----- | 2 | 3 |
| Water transportation companies..... | 5 | 4 | ----- | 1 | 3 |
| Telephone, telegraph, and radio companies..... | 7 | 6 | ----- | 1 | 3 |
| Electric and gas companies..... | 8 | 6 | ----- | 2 | 5 |
| Retail chain stores..... | 3 | 1 | ----- | 2 | 3 |
| Banks..... | 9 | 6 | 3 | ----- | 6 |

The following principal types of Federal forms calling for gross operating revenues, or some substantially equivalent item, may be noted:

1. The corporate income-tax return, the partnership return, and the long form of individual income-tax return (these three are counted as one form).

2. The Census of Manufactures calls for total value of products of each manufacturing establishment in each odd-numbered year. Annual reports to regulatory agencies may be counted along with this form for our present purpose. They call for gross operating revenues of various classes of enterprises not in general covered by the Census of Manufactures.

3. Monthly data on sales or value of output are reported currently to various Federal agencies depending on the type of business.

Like those calling for pay-roll data, the various reports calling for

gross revenues differ materially from one another. There are monthly, annual, and occasional forms. There are forms which call for preliminary figures, and forms which call for sworn statements of account. There are forms which call for break-downs of operating revenues, and forms which call for a single figure on operating revenue in conjunction with other data. Consolidation of all forms into a single form for each type of respondent would be out of the question. But it is difficult to escape the conclusion that some consolidation of forms and some additional interchange of information between the agencies concerned is possible.

In addition to the number of reports calling for information on total value of sales or of output, there are various reports calling for figures on production of individual commodities, in quantity or value or both. The Census of Manufacturers asks for output data biennially, for the year as a whole. Monthly or other current data are collected for a large number of manufacturing industries, chiefly by the Bureau of the Census. For tobacco products, alcoholic beverages, and oleomargarine, production data are collected currently by the Bureau of Internal Revenue; for meat packing, sugar refining, and the production of dairy products, by the Department of Agriculture. Annual and monthly data for mineral products are collected by the Bureau of Mines; and annual data on forest products, by the Department of Agriculture. Duplication in this field of commodity reporting arises chiefly from the fact that annual totals, for each year or for every other year, are called for on substantially all the commodities reported upon currently. These duplications, for the most part, are between the Bureau of the Census on the one hand and the Department of Agriculture and the Bureau of Mines on the other.

DUPLICATION IN BALANCE SHEET AND INCOME REPORTS

* * * * * *

The extent of reporting of this nature bulks particularly large in respect to regulated and large-scale corporate business. Annual income-tax returns call for financial statements accompanied by supporting schedules. Exhaustive financial statements with collateral information are similarly required from companies under their jurisdiction by regulatory agencies such as the Interstate Commerce Commission, the Federal Power Commission, and the Federal Communications Commission. Electric utility holding companies must report financial statements to the Securities and Exchange Commission under the Public Utility Holding Company Act of 1935. Corporations are further called upon to provide complete financial statements to the Securities and Exchange Commission in connection with the flotation of securities or their listing on a registered exchange. A parent company and its subsidiaries may be required to file a consolidated financial statement with one agency, while separate (unconsolidated) statements may be required from the same group of companies by another agency, or in some instances by the same agency.

Both the Bureau of Internal Revenue and the Securities and Exchange Commission have taken steps toward the elimination of unnecessary duplications in requirements for financial reports. The Securities and Exchange Commission permits the filing of exhibits by reference to any statement previously or concurrently filed with the Commission. Corporations are permitted to substitute infor-

mation reported to public officers in lieu of part of the information required on the corporate income-tax returns, and special income-tax forms have been devised for insurance companies and railroads partly to facilitate preparation of tax returns and partly to provide a check of such returns against information filed for regulatory purposes. Although some relief is afforded by these arrangements, in general respondents do not appear to have taken full advantage of them; moreover, they have applicability to only a part of the problem of duplication among financial statements.

In the field of finance, as in that of pay rolls, there are conspicuous duplications between Federal and State reports. Financial statements are required on income-tax returns to many States as well as to the Federal Government. Various regulated enterprises may also be required to file similar or partially duplicate reports with both Federal and State regulatory agencies and with private agencies such as stock exchanges. * * *

LACK OF CENTRALIZED AUTHORITY AND OF BASIC RECORDS

The Board's survey of the forms used by Federal agencies to collect information from the public during the fiscal year 1938 revealed 3 significant deficiencies: (1) In most of the 88 agencies issuing such forms there were no clearly established rules regarding final responsibility for the adoption of a form or its use to collect information from a given list of respondents. (2) In few of these agencies was there maintained even a substantially complete and up-to-date central file of the forms in use. (3) Only one agency maintained a central written record of each canvass made with a given form, including a record of approval by the central office, dates, purposes, and the class of respondents covered.

Only some half a dozen agencies have either developed, or are now in the process of developing, orderly methods of reviewing their own questionnaires and report forms, and of keeping records concerning the adoption and use of forms to collect information from the public. The general lack of centralized authority for and even of basic records on report forms in Federal agencies is undoubtedly one reason for some of the duplications in Federal reporting requirements. Moreover, this lack of centralized authority is a contributing factor in the accumulation of unnecessary burdens upon respondents. * * *

DUPLICATIONS OF LEGAL AUTHORITY

The legal bases for reports to Federal agencies are often inconsistent. Further, the enactment of laws on behalf of one agency without reference to authority already vested in others has resulted in duplications of authorizations and even of mandatory directions to collect data. Major duplications of authority to collect reports from the public exist in such important special fields as banking, housing, and construction, and water transportation, as well as in the broad fields of mining, manufacturing, and distribution. * * *

The following examples, although they are not now causing duplications, may be cited of directions in existing statutes for the conduct

by certain agencies of work which is now carried on by other agencies: The Bureau of Foreign and Domestic Commerce is directed to collect statistics on "the railroad systems of this and other countries" and "statistics of the manufactures of the United States * * *,"¹⁴

Another one of the stated purposes of the Bureau is to collect statistics on "currency and banks."¹⁵ Again, the Commissioner of Labor Statistics has the mandatory duty to ascertain the effect of customs laws on the state of the currency in the United States, on the agricultural industry, and especially on mortgage indebtedness of farmers.¹⁶ * * *

A STATUTORY MANDATE NEEDED

During the Board's regular review of statistical plans and forms proposed by agencies of the Federal Government, it has observed many situations in which a centralization of the collection of reports from a given group of respondents would have been desirable. Wherever possible, within the limitations of its authority, the Board has sought to further this type of centralization. In some cases it has secured agreements under which one agency has reimbursed a second for the collection of information from respondents with whom the second agency had well-established contacts. Progress in this direction, however, has been limited.

There is need for a statutory mandate which will vest responsibility in the statistical coordinating agency for the definite promotion and effectuation of such arrangements. At present, equal statutory responsibilities are often held, or asserted by each of two or more agencies to collect the same or similar data from a given class of respondents.¹⁷ A legal mandate is clearly required to resolve such conflicts, in the public interest and in that of the respondents who may be penalized by them.

¹⁴ 15 U. S. C., secs. 178, 182.

¹⁵ 15 U. S. C., sec. 176.

¹⁶ 29 U. S. C., sec. 4.

¹⁷ The Board's fourth annual report notes problems of this sort which it has had to face.



LETTER FROM MR. M. H. McINTYRE, SECRETARY TO THE
PRESIDENT

THE WHITE HOUSE
WASHINGTON

POUGHKEEPSIE, N. Y., *October 1938.*

MY DEAR MR. ———: At the request of the President the Central Statistical Board is preparing a report which involves some of the larger problems of statistical organization in the Federal Government. In order that the President may know the views of the agencies most interested in these problems, he desires that they prepare individual memoranda regarding possible alternative lines of development of the statistical and reporting services for procuring a more efficient, economical, and consistent flow of information, with minimum burdens upon the public.

On the one hand, it has long been suggested by some agencies that, so far as practicable, all statistical work should be concentrated in a single agency. The other alternative suggested is that the present decentralized form of statistical organization be preserved, but that improvements be made through strengthening the machinery of coordination and through specific consolidations in the several branches of the service.

The President would like to know which of these two alternative lines of development the ——— favors. If you feel that a general consolidation of statistical work would be desirable, I shall appreciate it if you will indicate how far, in your opinion, such a consolidation should go and what kind of statistical work, particularly in the fields with which the ——— is most concerned, you would wish to exempt from such consolidation. Will you please indicate also as precisely as possible the methods you would suggest for coordinating with the activities of the proposed consolidated statistical agency any work which you would exclude from the consolidation?

If, on the other hand, the ——— favors a decentralized system of organization, it will be very helpful if you would indicate such consolidations and transfers and additional coordinating measures as you would advocate in order to eliminate any unnecessary duplications of inquiries and unnecessary burdens upon the public in the fields in which the ——— is most concerned.

The Central Statistical Board has been asked to incorporate all the memoranda in an appendix to its report, which will be submitted on January 1. In order to give the Board the maximum amount of time to study the recommendations and arrange for any conferences that may be desired, it is essential that the memoranda be received not later than November 10.

Very sincerely yours,

M. H. McINTYRE,
Secretary to the President.

EXTRACTS FROM LETTERS FROM HEADS OF ADMINISTRATIVE DIVISIONS

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF AGRICULTURAL ECONOMICS,
Washington, D. C., October 31, 1938.

Memorandum for the Secretary.

DEAR MR. SECRETARY:

* * *, it might be pointed out that for some time the Bureau has been endeavoring to coordinate the statistics gathered by its various agencies. Under the guidance of a statistics committee a number of steps have been taken to consolidate similar functions. For example, during the past year and a half we have brought together in one section a large part of the statistics relating to manufacture, transportation, and stocks of agricultural products which had previously been gathered in several different divisions. This move has already eliminated some duplication and improved the statistical material gathered. Along this same line the Bureau has cooperated with other departments of the Government. For example, the clearance of all questionnaires through a bureau committee which worked closely with a representative of the Central Statistical Board has proven most beneficial in eliminating duplication in this field. Another example might be cited in the case of statistics relating to peanuts and peanut oil stocks.

Recently a law was passed directing the Secretary of Agriculture to collect certain statistics, which would have been in duplication of work done under the Bureau of the Census. Arrangements have now been completed with that Bureau whereby they will discontinue collection of these data and will use the material collected by the Department of Agriculture, thus avoiding a duplication. A number of other instances of this sort might be cited including the collection by this Bureau of storage holdings of fish for the Department of Commerce. Tentative arrangements have been made with the Census Bureau to eliminate the duplication which occurs once every 2 years in the collection of statistics relating to the manufacture of dairy products and numerous other instances where close cooperation between the field offices of this Bureau with the various State agencies has eliminated duplication and worked toward a more economical and efficient service for the country as a whole.

Our feeling is that there is still much to be done in the coordination of the activities of the various departments within the Government. * * *. A small over-all unit * * *, working with the various departments toward a coordinated program would eliminate most of the duplication and improve the quality of the statistics collected.

Very truly yours,

C. W. KITCHEN,
*Associate Chief, in Charge of
Service and Regulatory Work.*

ERIC ENGLUND,
Assistant Chief of Bureau.

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF HOME ECONOMICS,
Washington, D. C., November 2, 1938.

Memorandum for Mr. Paul H. Appleby, Assistant to the Secretary.

DEAR MR. APPLEBY:

* * * It would seem that the solution of the problem of duplication would lie in the strengthening of the powers of the Central Statistical Board as a reviewing, coordinating, and advisory agency for the various Federal departments, rather than the creation of a single agency responsible for so wide a variety of highly specialized statistical work as is done throughout the Government.

Sincerely yours,

LOUISE STANLEY, *Chief.*

UNITED STATES DEPARTMENT OF AGRICULTURE,
BUREAU OF PUBLIC ROADS,
Washington, D. C., October 28, 1938.

Memorandum for the Secretary.

DEAR MR. SECRETARY:

* * * In the field of general statistics some advantage might be gained through centralization, but we are not sufficiently familiar with the details of this field to offer constructive suggestions. It is our understanding that at the present time the Central Statistical Board maintains a general file of information on statistics collected regularly by the several departments of the Government, and that questionnaires involving the collection of other information than that secured regularly are cleared through the department concerned and the Central Statistical Board before issuance. Perhaps this procedure could be strengthened. Other than this we are not prepared to make specific suggestions.

Very truly yours,

C. D. CURTISS,
Acting Chief of Bureau.

UNITED STATES DEPARTMENT OF AGRICULTURE,
FOREST SERVICE,
Washington, November 8, 1938.

Memorandum for the Secretary.

DEAR MR. SECRETARY:

* * * * *

(Referring to one agency to do all statistical reporting for all departments.)

Frankly, we would much prefer the present decentralized and cooperative form of organization with respect to this type of activity. In addition to being necessary for the welfare of certain of our own studies we believe it is economically advantageous to the various interested agencies and the public.

(Refers to purpose of proposed bill.)

We favor the continuation and strengthening of facilities like the present independent Central Statistical Committee for coordinating and otherwise guiding the whole field of statistical activities.

Very sincerely yours,

F. A. SILCOX,
Chief, Forest Service.

UNITED STATES DEPARTMENT OF AGRICULTURE,

OFFICE OF THE SECRETARY,

Washington, November 3, 1938.

Memorandum to the Secretary

DEAR MR. SECRETARY:

* * * ¹ It should be quite possible to strengthen the Central Statistical Board so that it could act as a coordinating agency to eliminate some of the difficulties mentioned in Mr. McIntyre's letter. It probably should have increased power to enable it to enforce its findings with respect to statistical matters.

Sincerely yours,

(Signed) A. G. BLACK,
Director of Marketing and Regulatory Work.

BUREAU OF THE CENSUS

THE COORDINATION AND CONSOLIDATION OF STATISTICAL SERVICES OF THE
FEDERAL GOVERNMENT

The complete consolidation of all statistical functions of the Federal Government in a single agency is not only undesirable but is administratively impossible. Also, a completely decentralized system of collecting and compiling statistics in which each agency would itself gather, tabulate, and interpret all of the data that it uses is equally impossible. The issue, then, is one of the amount of centralization that is desirable and necessary to attain maximum economy, efficiency, and adequacy of Federal statistics.

The degree of centralization which is possible or advisable depends upon the nature of the statistics in question. For present purposes, governmental statistics can be divided into three major groups according to the principal purpose for which they are originally gathered: (1) Operative and regulatory statistics, (2) general reference statistics, including bench mark and regularly recurring reports and sample series, and (3) special study and survey statistics. Some of the problems of, and the opportunities for centralization of each of these types of statistics are indicated below.

Operative statistics.—Every agency produces and uses operative statistics of some kind. These statistics are as necessary to the administration of an agency as space and equipment. They range, for example, from simple counts of personnel, work load, and services to complicated reports required for the regulation of banks, production, marketing, and public utilities.

¹ Mr. Henry A. Wallace stated in his letter of transmittal to Hon. H. M. McIntyre, Secretary to the President, on November 9, 1938, "I call your attention especially to the memorandum by Dr. Al Black. This represents my own views very accurately."

Operative statistics cannot be efficiently gathered or controlled by a single central agency. The overlapping of primary governmental functions among administrative agencies is the source of the more serious duplications and noncomparabilities of operative statistics. The compilation of such data can often be done more economically and efficiently by statistical operating agencies which are especially equipped for this service than by the administrative agencies themselves.

General reference statistics.—Censuses and other data regularly gathered primarily for the use of individuals and agencies other than the agency which publishes them may be called general reference statistics. Such statistics are used by many individuals and agencies for a wide variety of purposes. They are indispensable for determining national trends and economic resources, for measuring the effect of social programs, and as a basis for planning, and for determining policy.

General reference statistics are usually derived from individual reports in which the interest of the compiling agency is purely statistical and in the use of which their identity is lost. On the other hand, operative statistics are usually obtained from individual reports which themselves are an object of interest because they provide information for such uses as regulation or taxation of the individual or organization to which the report relates.

For purposes of public policy the Government and the public need general reference statistics which are continuous, comparable, and reliable. The agencies suitable for the collection of such statistics are those which are not directly concerned with regulation, administration, or promotion, and have no other purpose than to satisfy the needs of government, business, and the public for unbiased facts.

Major operating economies as well as control over needless duplication of schedules and reports can be obtained by further centralization of the collection and compilation of reference statistics.

Special study statistics.—Some statistical research in its field of service may be a necessary function of governmental agencies and of special groups. However, agencies with ample administrative funds often make special studies which involve the use of burdensome questionnaires and the collection, compilation, and publication of data only indirectly related to their recognized functions.

The statistical results of such inquiries are often confusing in that they ostensibly present new data in fields in which there are other statistics regularly presented by other agencies. Confusion arises from noncomparability of classifications and definitions, poor timing, and inadequate explanation of completeness of coverage.

The movement to centralize all or nearly all statistics arises in part from the desire of respondents, and Government agencies themselves, to obviate the burden and confusion which result from special studies and surveys.

Steps have been taken to meet this problem in Canada and in several European countries by a relatively flexible arrangement between a principal operating statistical agency and the other agencies of government.

Summary.—Some of the fundamental aims of Federal statistics are: (a) That they provide for the administrative needs of agencies, (b) that they give dependable information adequate for purposes of

public policy, (c) that they be economical, and (d) that they meet the convenience, and to an increasing extent the needs of respondents who are called upon to furnish the basic data.

Under the present system each agency is relatively free to gather whatever statistics it can afford within the broad limits of its legal authorization and appropriation. This results in duplication of inquiries and leads to fragmentary studies, noncontinuous series, and noncomparable data. It is expensive, bothersome, and confusing to all users as well as givers of statistics.

That general reference statistics and the statistical survey aspects of special studies should be centralized in the principal operating statistical agencies is increasingly evident from recent trends. There is also an obvious need for closer cooperation between administrative and statistical agencies, and among the statistical agencies themselves. These points have been emphasized by prior surveys of the statistical work of the Federal Government.

While there is need for coordination and centralization of Federal statistics, any attempt to meet this need should be undertaken only after due consideration of factors which in the past have been neglected by those agencies undertaking such a program. As a result of the failure to recognize such factors, very little progress has been made in the direction of this coordination and centralization.

(Signed) VERGIL D. REED,
Acting Director, Bureau of the Census.

DEPARTMENT OF COMMERCE.

BUREAU OF FISHERIES,

Washington, November 12, 1938.

Memorandum to the Secretary of Commerce.

* * * An earlier study of the statistical work of the Bureau of Fisheries was made by the Bureau of Efficiency and the results were included in a report entitled "Statistical Work, United States Government," House of Representatives, document No. 394, page 21, 1922. A pertinent passage from this report follows:

"This work can be done more economically by the Bureau of Fisheries, which maintains a permanent establishment for the enforcement of regulatory statutes having to do with the protection of the fisheries and for the propagation and distribution of edible fishes, * * *."

Summarizing, it may be stated that it is this Bureau's opinion that efficiency in collection, compilation, and publication can be best served in nearly all cases by retaining these functions in the Bureau of Fisheries, which office has been collecting statistics on the fisheries of the United States for more than 60 years.

(Signed) FRANK T. BELL,
Commissioner.

DEPARTMENT OF COMMERCE,
BUREAU OF FOREIGN AND DOMESTIC COMMERCE,
Washington, November 12, 1938.

Memorandum to Secretary of Commerce.

Subject: Centralization of Statistical Services—Summary and Conclusions.

Because of the complex and highly specialized nature of modern statistical research and its close integration with particular fields of study and areas of responsibility within the Federal Government under the law, it is strongly believed by this Bureau that decentralization of most statistical work is in the public interest. Most statistical studies are sample studies, some are complete censuses. Most are relatively small-scale, some are large-scale operations. Only the complete censuses of very large-scale studies lend themselves to economical centralization and then only when closely supervised by the experts from specialized subject matter bureaus. Some statistical functions, such as the physical collection of data and the mechanical tabulation lend themselves to varying degrees of centralization. In general there is little or no economy in centralization, but rather, grave danger of inefficiency growing out of a large and unwieldy administrative unit.

Decentralization immediately raises the question of duplication. It is believed that danger of duplication, which is very real, can be avoided, without the sacrifice of efficiency which centralization entails, by adequate coordinating machinery. This Bureau recommends:

(a) A strong central statistical board and a series of coordinating committees centering in that board as a part of the administrative division of the Federal Government, and

(b) Committees on statistics in the House and Senate as a part of the legislative machinery of the Federal Government. A close working agreement between these committees, the Central Statistical Board and the specialized statistical agencies of the Government should eliminate most if not all serious duplication of effort.

(Signed) ALEXANDER V. DYE,
Director.

DEPARTMENT OF COMMERCE,
BUREAU OF MARINE INSPECTION AND NAVIGATION,
Washington, October 26, 1938.

Memorandum for the Secretary of Commerce.

* * * All these sources of statistical information are part of the functions of this Bureau. The record is maintained as part of the duty of the Bureau and statistics derived from this record are clearly a byproduct rather than the purpose of the record. Many of the forms are by statute a permanent record of the Bureau and it is not considered practicable to turn these records over to a central statistical agency.

It is felt that there is little duplication of effort exerted to compile statistics from this record as it is now kept. It is felt that it would be impractical to do it otherwise than by our own staff. The Bureau, therefore, recommends that the present set-up not be disturbed but continue in the present decentralized form. It suggests,

however, that if a departmental committee were established with a Bureau subcommittee to cooperate with the Central Statistical Board it would act to avoid duplication in the Government's activities.

(Signed) R. S. FIELD, *Director*.

UNITED STATES DEPARTMENT OF THE INTERIOR,

BUREAU OF MINES,

Washington, November 3, 1938.

Memorandum to Mr. Dotson, Chief Clerk, Department of the Interior.

* * * It may appear to those unfamiliar with the intricacies of the collection and tabulation of statistics that the present Governmental set-up involves substantial duplication of effort. There are minor cases of partial duplication in the collection of statistics as related to mineral industries, but these are due largely to the different objectives of the various bureaus dealing with questions which impinge, however lightly, upon the production of the mineral industries. Undoubtedly, a coordinating agency is needed, but it is believed that under existing laws the Central Statistical Board¹ already possesses sufficient authority to serve adequately in this capacity.

(Signed) J. H. HEDGES, *Acting Director*.

For JOHN W. FINCH, *Director*.

MEMORANDUM

STATISTICAL PROBLEMS OF THE NATIONAL BITUMINOUS COAL COMMISSION
IN RELATION TO OTHER GOVERNMENT SERVICES

* * * By strengthening the arrangements for clearance and supervision through a central statistical board, it is believed that duplication of effort can be avoided at the same time that the regulatory bodies can continue to be directly responsible for the collection of primary data within their respective fields.

Respectfully submitted.

(Signed) PERCY TETLOW,

Chairman, National Bituminous Coal Commission.

Memorandum to: The Secretary of the Interior.

From: The Commissioner of Education.

Reference: Letter from M. H. McIntyre, Secretary to the President, dated October 19, 1938, relative to the organization of statistical and reporting services.

* * * *Cooperative efforts.*—The Office of Education is constantly cooperating with other Government departments in studies involving educational figures. Recently we assisted the Treasury Department in its study of all public debt, including that of schools,

¹ Now becomes the Bureau of the Budget.

and of compensation of public employees, including school employees; the United States Employment Service and the Central Statistical Board in setting up the new classification of industries, including education; and the Department of Commerce in the study of the national income. Such cooperative relationships should continue among Government agencies.

Government departments desiring to make studies involving educational statistics should, through a central statistical agency as a clearinghouse, be referred to the Office of Education as the Federal agency primarily responsible for educational statistics. This is necessary in order to avoid duplication of data already available and to insure the use of feasible procedures and standard terminology in the collection of additional information.

(Signed) J. W. STUDEBAKER.

DEPARTMENT OF THE INTERIOR,
UNITED STATES HOUSING AUTHORITY,
Washington, November 7, 1938.

The honorable, the SECRETARY OF THE INTERIOR,
Washington, D. C.

DEAR SIR: * * * Both the census of housing and statistics of income are broad, over-all inquiries which should be entrusted to a centralized agency. It seems reasonable to me that the Bureau of the Census might well undertake both of these in connection with the regular censuses. In such matters of jurisdiction, however, the Central Statistical Board (which now performs a most useful service in advising on generalized inquiries and serving as a clearing house for the requirements of all agencies) can offer sound advice.

Respectfully yours,

NATHAN STRAUS. *Administrator.*

DEPARTMENT OF LABOR,
BUREAU OF LABOR STATISTICS,
Washington, November 16, 1938.

Memorandum to: Miss Perkins.

From: Mr. Lubin.

Re: Request of Mr. McIntyre for Central Statistical Board report.

* * * Useful and realistic statistics available for the determination of policy can only arise from an organization that is primarily concerned with solving such problems of policy. When the collection of statistics becomes a mere routine job of collecting and tabulating figures by people who have no contact or appreciation of the problems concerning which statistics are being collected, the nature of the data becomes mechanical and of much less value than it otherwise might be. Indeed, in terms of the usefulness of statistics, it probably is cheaper in the long run, despite the additional cost of duplicated overhead, to have smaller decentralized units collecting data which are of maximum usefulness in formulating policies and solving problems, than it would be to have a centralized and con-

solidated statistical agency collecting data on a series of unrelated subjects, which data do not have the realism necessary to give them effective usefulness.

NOVEMBER 2, 1938.

Memorandum to: Miss Perkins.

From: Miss Lenroot.

* * * A great deal can be accomplished toward the consolidation of statistical series and the transfer of responsibilities through conferences between agencies interested in the same fields of statistics, and through the formation of interagency committees. This has recently been illustrated by the transfer of responsibility for general relief statistics from the Works Progress Administration to the Social Security Board. In the recent experience of the Children's Bureau, substantial savings to the Federal agencies and to the public have resulted from cooperative arrangements with the Bureau of Prisons of the Department of Justice in the issuing of statistics on juvenile delinquency, with the Social Security Board in the collection of welfare statistics for large cities, with the Bureau of the Census in the assembling and distribution of certain vital statistics, and with the Women's Bureau in the collection of certain information regarding the employment of children in canneries. The Bureau has recently invited representatives of the Social Security Board, the Census Bureau, and the Public Health Service to participate in a revision of health schedules and in the consideration of other questions fundamental to efficient and orderly reporting of health statistics. * * *

I would favor a substantial development of the activities of the Central Statistical Board along the lines which that agency is now following. The work of the Central Statistical Board has been of material benefit to the Children's Bureau, but it is apparent that that agency could be of greatly increased usefulness as a coordinating body if its staff were increased and its recommendations more widely accepted. It is my belief that more widespread cooperation with the Board in clearance of schedules and instructions is essential to the efficient and orderly development of Government statistics.

UNITED STATES DEPARTMENT OF LABOR
UNITED STATES EMPLOYMENT SERVICE,
Washington, November 2, 1938.

Memorandum to: Miss Perkins.

From: W. Frank Persons.

Subject: *Mr. McIntyre's letter of October 19 relative to centralization versus decentralization of statistical activities.*

* * * Better coordination of statistical activity among agencies working in the same field offers many advantages. In the case of agencies that are essentially fact-gathering, some degree of integration of staff and schedules may be possible. In the case of agencies engaged in administering Federal laws, the byproduct statistics can be coordinated only to the extent that the operating

activities are contiguous or overlapping. Even under these circumstances, it does not always follow that a combined report is more efficient or more usable than separate returns. * * *

Coordination of activities with other agencies in the same general field (employment and unemployment) is certainly to be desired. Specifically, the reporting, processing, and analysis of the Employment Service statistics should be integrated with that part of the statistical program of the Social Security Board, dealing with unemployment compensation, as rapidly as the administrative integration permits. Furthermore, the compilation of occupational information by the Employment Service should be closely and formally coordinated with analogous work being done by the Bureau of Labor Statistics, the Public Health Service, the Office of Education and any other agencies operating in the field. Beyond this, the mutual exchange of information between the Employment Service and such organizations as the Bureau of Labor Statistics, the Social Security Board and the Works Progress Administration on subjects of common interest is necessary and feasible. This could be accomplished by definite and systematic arrangements for clearance and collaboration, without centralization or transfer of existing facilities.

P. S.—This statement has been prepared by W. H. Stead and, hence, indicates that our views are in concurrence.

W. F. P.

UNITED STATES DEPARTMENT OF LABOR,
WOMEN'S BUREAU,
Washington, November 3, 1938.

To: Miss Perkins.

From: Mary Anderson.

Re: Development of Statistical Agencies in the Federal Government.

* * * In regard to the decentralized form of statistical organization favored by the Women's Bureau, with the field of coverage carefully demarcated for the various fact-collecting agencies, it is believed that economy can be effected by cooperation between agencies rather than by their consolidation.

As the Women's Bureau is the only Federal agency charged with promotion of the welfare of working women, continuous study of the problems of such women requires the collection, and subsequent correlation, of facts supplied by the women themselves and by the industries and services in which women are employed, or may be employed, in large numbers. In order that such statistical collection may be carried on without overlapping with other agencies that may have cause for studying conditions within some of these industries or services, the Women's Bureau must agree to collect and compile data in its field of coverage for all other governmental agencies, in close cooperation with them. If this can be done in the course of its regular investigations, there shall be no cost to the second agency; if a special investigation outside the Bureau's budget must be conducted, the agency requesting same must bear the cost of such investigation.

In turn, whenever the Women's Bureau requires information in an industry in which men materially outnumber women, it shall request the agency covering that field to secure the necessary data and shall compensate such agency for its services.

This method of cooperation has been carried out in the Department of Labor in the past 2 years.

TREASURY DEPARTMENT.

Washington, November 4, 1938.

Memorandum for Mr. Wm. H. McReynolds, Administrative Assistant to the Secretary.

* * * This matter has been carefully and independently considered by each of those Bureau officials who are primarily responsible for the assessment and collection of the revenue. These officials do not approve of any transfer of their statistical work and their objections summarized below are deemed worthy of serious consideration:

1. The transfer of statistical work from within the Bureau would be of doubtful legality. (See sec. 258 of the Revenue Act of 1926.)

2. The sources of information are confidential and the reports therefrom ought to be compiled by Bureau employees.

3. The forms used are specialized and designed for the collection of taxes; their use for statistical purposes is incidental and must not interfere with the assessment and collection of revenue.

4. Any statistical program must be flexible due to changes in the revenue laws and in administrative organization, thus requiring close supervision by Bureau officials.

5. Most of the Bureau's statistics relate to operations of the Bureau and are primarily for administrative use. Unquestionably such statistics ought to be compiled by those who use them.

I am attaching for your information copies of the communications received from the heads of each of the administrative units relative to the matter.

As I understand it, there are, generally speaking, two kinds of statistics; first, those that a department of bureau compiles as an aid to its own administration and, second, those it gathers for the use of others. The statistics compiled by this Bureau are primarily of the first class and I feel strongly that in no event should this Bureau or any other service be deprived of the opportunity to gather the statistics necessary for its own administration.

The problem, in my opinion, is one of coordination rather than centralization. This Bureau has always cooperated with the Central Statistical Board and will continue this practice. I have no specific suggestions at this time regarding transfers or consolidation of statistical functions within the internal revenue service. The Bureau's present statistical program will have to be adjusted and developed so as to fit in with the current program of decentralization and this matter is now being worked out by individuals in the Bureau and Treasury Department who are familiar with the whole problem.

MILTON E. CARTER,
Acting Commissioner.

TREASURY DEPARTMENT,
Washington, November 1, 1938.

Memorandum for Mr. Carter, Assistant to the Commissioner.
Re: Possible delay in issuance of certain statistical statements.

* * * As to the alternative suggestion that the present decentralized form of statistical organization be preserved, it is the view of this unit, insofar as the collection statistics are concerned, that this suggestion is the most desirable and practicable. The collection statistics are compiled from reports submitted by the 64 collectors of internal revenue and there is no direct demand upon the public for any information necessary in the compilation of these statistics. The records of this unit indicate that the Central Statistical Board is on the mailing list for the statements prepared in the statistical section and in addition to this, any special requests of the Central Statistical Board for appropriate information are complied with as promptly as possible.

GEO. J. SCHOENEMAN,
Deputy Commissioner.

kle

TREASURY DEPARTMENT,
Washington, November 1, 1938.

Memorandum for Mr. Milton E. Carter.
Subject: The development of statistical and reporting services of the Alcohol Tax Unit.

* * * After the desired data have been compiled from alcohol tax records, a more unified reporting system might be adopted. It is recognized that there is now an overlapping of reports, a duplication of effort in the issuance of official data, and confusion in the public mind as to the reason for having to contact several different agencies before obtaining a complete record of desired statistics. For example, there is duplication between some of the information collected by this Unit and by the Federal Alcohol Administration; a person desiring consumption statistics must communicate with both this office and with the Bureau of Customs or with the Bureau of Foreign and Domestic Commerce of the Department of Commerce; a person interested in the consumption of agricultural products needs to communicate not only with this office but also with the Department of Agriculture and possibly other agencies of the Government.

In the time allotted for the purpose of this memorandum it is not believed that specific recommendation for a more unified reporting system can be made. One consideration, however, remains to be noted, and that is that not all data taken from reports submitted to the Alcohol Tax Unit are released for public distribution. The problem of maintaining a just and fair division between what is to be held as confidential and what is to be released to the public has sometimes been difficult to determine. With respect to most of this type of information, it is believed that this Unit is in the best position to draw the line between what should and what should not be given public release.

STEWART BERKSHIRE, *Deputy Commissioner.*

TREASURY DEPARTMENT.
Washington, November 1, 1938.

Memorandum for Acting Commissioner Carter.

* * * As to the second question raised in Mr. McIntyre's letter relating to improvements which might be advocated in order to eliminate unnecessary duplication of inquiries and burdens upon the public in the event the present decentralized form were continued, your attention is invited to the fact that the Income Tax Unit has gone a long way toward cooperating with other agencies in the matter of reducing the number of report forms.

The following illustrations are cited:

"Instructions for Form 1120—United States Corporation Income and Excess-profits Tax Return for 1937.

"N. Balance Sheets. * * * All corporations reporting to the Interstate Commerce Commission or to any national, State, municipal, or other public officer, may submit, in lieu of Schedule N, copies of their balance sheets prescribed by said Commission or State and municipal authorities, as at the beginning and end of the taxable year.

"P. Forms Other Than Prescribed by Return. Banks, insurance companies, and other corporations required to submit statements of income and expenses to any national, State, municipal, or other public officer may submit with the return a statement of income and expenses in the form furnished to such officer, in lieu of the information requested in items 1 to 28, Schedule A, except that a railroad company may submit with the return a statement on Form 1090. In such cases the net income will be reconciled by means of Schedule B of the return, with the net profit shown by the income and expense statement submitted, and should be entered as item 28, Schedule A."

As to the coordination of the statistical data compiled from the tax returns, the Bureau has cooperated with the Central Statistical Board in working toward a standard industrial classification for use by all Federal agencies. The results of these efforts are reflected in a new industrial schedule which will be included in the corporation income-tax returns for 1938.

With reference to a consolidation of the statistical activities within the Bureau, your attention is invited to the arrangement which has been in effect for a number of years whereby the statistical agency which compiles data from all income-tax returns also tabulates Federal estate-tax returns and gift-tax returns which are administratively handled by a unit other than the income-tax unit.

JOHN R. KIRK, *Deputy Commissioner.*

TREASURY DEPARTMENT,
Washington, November 5, 1938.

Memorandum for Mr. McReynolds:

* * * It would seem that if accuracy of information and its pertinence to specific proposals are essential factors in the use of statistics, they should be prepared and collected by the agency most familiar with the details of the activities, and that when the statistics are to be interpreted or used, the agency supplying them should

be informed as to the purpose in view as a means of judging whether collateral conditions and information relative thereto would have a modifying effect on their pertinency.

NELLIE TAYLOR ROSS,
Director of the Mint.

TREASURY DEPARTMENT,
INTEROFFICE COMMUNICATION,
Washington, November 10, 1938.

To: Mr. McReynolds.

From: Mr. White.

* * * It is of course probable that the creation of a single agency for the supervision of all statistical investigations might prevent some duplication. It is all important, however, to avoid exaggerating the degree of duplication which now exists in Government statistical research. Very frequently it appears to the person not wholly familiar with the specific problems involved and the specific solutions sought that the particular investigation is similar to one being carried on or having been completed elsewhere. Yet a careful examination will usually reveal, I believe, that the specific problem being examined is not identical nor the questions asked the same, and that the differences are sufficiently important for the purpose in hand to warrant separate investigations.

Doubtless coordination among the different statistical services can be improved. However, it is extremely important to note that the concentration of statistical services in one agency might solve the problem of coordination between various statistical agencies but it would raise a problem more serious and more difficult of solution—the problem of coordination between the functioning Government department and the centralized statistical agency.

It is my opinion that coordination between the statistical agencies can be obtained and duplication of statistical work avoided without concentrating authority on such matters in any single group. It would seem to me that the way to handle that problem is to establish a committee to serve in an advisory capacity, the committee to consist of men experienced in the problems that arise in statistical investigations and familiar with statistical techniques. Every Government agency should then be required to present to that committee for criticism and comment all projected investigations. But I suggest that under no circumstances should that committee be given the power to prohibit any department from carrying forward any investigations that that department may deem it advisable to make.

It is my understanding that present practice in the Government provides for just such consultation. If any change is to be made it should be in the direction of preventing duplication of statistical investigations by the maintenance of comprehensive files in a central bureau. These files could contain brief descriptions, conveniently cataloged, of plans and results of statistical investigations already completed, and descriptions of those in process or contemplated. These files should be available to all officials who are either planning statistical projects or utilizing the results of statistical investigations.

It might be wholly feasible for monthly catalogs to be mimeographed and sent to various research agencies in the Government containing brief references to investigations planned. Every Government agency should in turn be required to notify the central bureau of the statistical investigations which it contemplates undertaking and receive the information and advice necessary to prosecute its investigation with the maximum degree of success and with the minimum of duplication.

TREASURY DEPARTMENT,
INTEROFFICE COMMUNICATION,
November 9, 1938.

To: Mr. McReynolds.
From: Mr. Haas.

* * * Complete coordination of the statistical work of Federal agencies along the lines provided through the Central Statistical Board would it seems to me make possible the elimination of duplicated effort and of multiple demands upon the public which is properly desired. Certainly, efforts along that line should be continued, and thoroughgoing cooperation and support should be given to the coordinating agency.

Within the Treasury Department itself, the desirability of retaining a decentralized basis of organization for statistical work has long been recognized. Centralized technical supervision and coordination are, however provided in order to minimize duplication of effort, and to facilitate a high degree of technical adequacy. I cannot recommend too strongly the same principle of organization for the statistical work of the Federal Government as a whole.

TREASURY DEPARTMENT,
INTEROFFICE COMMUNICATION,
November 7, 1938.

To: Mr. McReynolds.
From: Mr. Blough.

Subject: Comments on alternative lines of development of the Federal statistical services with particular reference to the Treasury Department.

* * * * *

11. *Improvement of decentralized form.*—Improvement of the decentralized form might be furthered by the following methods:

(1) The present Central Statistical Board could be strengthened by increasing its funds and staff and perhaps its authority to work actively for greater coordination. The Board should have power to recommend and perhaps to force feasible consolidations of field inquiries and questionnaire studies to be undertaken by individual agencies or jointly.

(2) A desirable suggestion appears to be one previously made by the Central Statistical Board for establishing focal agencies for the various fields of statistical inquiry, such agencies to transcend departmental and bureau organizational lines. This plan of focal agencies could be carried on through standing committees.

Duplicate statistical gathering could be eliminated, technical assistance rendered, and costs reduced.

Examples of joint action along these lines may be observed in the cooperation of the Division of Research and Statistics of the Treasury Department in 1937 with the Bureau of the Census in conducting an intercensal study of State and local debt; in a special statistical study of income-tax returns recently undertaken by the Division of Tax Research in which a technical advisory committee made up of the same and other governmental agencies is functioning; and in the cooperative effort of the Treasury Department, Central Statistical Board and a number of other governmental agencies toward setting up a standard industrial classification of concerns.

(3) With regard to the Bureau of Internal Revenue, coordination would perhaps not reduce the burden on the taxpayers. However, the statistical operations of the Bureau might be improved by a more highly centralized or at least more highly coordinated system of statistical compilation than exists at present, within the Bureau.

TREASURY DEPARTMENT,
FEDERAL ALCOHOL ADMINISTRATION DIVISION,
Washington, November 3, 1938.

Mr. WILLIAM H. McREYNOLDS,
*Administrative Assistant to the Secretary,
Treasury Department, Washington, D. C.*

DEAR MR. McREYNOLDS: It is understood that similar reports of production and stocks of liquors are furnished to the Alcohol Tax Unit, Internal Revenue Bureau, Treasury Department, with the exception that the figures on whisky are not broken down into types, such as corn, rye, and bourbon, as is required by this Administration. It would seem feasible that there could well be a consolidation of the reports required by these two Bureaus through a departmental statistical reorganization. On the other hand, it appears that the objection to the furnishing of these similar reports could be removed by the adoption of a revised report form which would include the information required by both Bureaus, such revised reports to be prepared in duplicate and one copy furnished to each Bureau.

Very truly yours,

(Signed) W. S. ALEXANDER, *Administrator.*

TREASURY DEPARTMENT,
UNITED STATES PUBLIC HEALTH SERVICE,
Washington, November 4, 1938.

Memorandum for Mr. McReynolds:

* * * Some duplication in health and welfare statistics is inherent in the fact that the agencies covering these fields are distributed in various governmental departments. A review of statistical projects by a Central Statistical Board with sufficient staff to thoroughly examine each project might reduce the number of duplicating inquiries. Overlapping, however, could also be reduced by more cooperation between governmental agencies with closely related functions.

As an example, the Public Health Service and the Children's Bureau receive from State and local health departments duplicate copies of a report which was devised jointly to give both bureaus the information needed to carry out the public-health provisions of the Social Security Act. Thus the local health department has one report to make instead of two separate reports. The Central Statistical Board might foster such cooperation in connection with its review of statistical projects.

(Signed) THOMAS PARRAN, *Surgeon General*.

BOARD OF GOVERNORS OF THE FEDERAL RESERVE SYSTEM,
Washington, November 1, 1938.

MR. MARVIN H. MCINTYRE,

*Secretary to the President, The White House,
Washington, D. C.*

DEAR MR. MCINTYRE: This is in reply to your letter of October 19 requesting the views of the Board regarding the problem of statistical organization in the Federal Government.

In determination of Federal Reserve policies the Board necessarily makes use of statistical information concerning many phases of economic activity. Some of the information used by the Board is collected by the Federal Reserve banks, but a large part of it is obtained from other agencies of the Federal Government and some from other sources. The Board, therefore, has a vital interest in the organization of the statistical services of the Government.

The Board is convinced that it is best to preserve a decentralized form of organization of statistical work in accordance with the alternative suggestion outlined in the second paragraph of your letter. Such an arrangement places the collection of each group of statistics in the hands of the agencies best qualified to determine the inquiries that are needed and can be readily obtained and to supervise, edit, compile, and interpret the resulting material. For example, this Board, which is responsible for credit policy, could not very well depend on any other agency for the collection and interpretation of banking and financial statistics.

The Board recognizes, however, that there are many kinds of non-administrative statistics—some of which can be and are collected by a purely statistical agency such as the Census Bureau. It also recognizes that the avoidance of duplication of effort and expense, both to the Government and to reporting business concerns, makes it necessary to have an agency charged with the duty of acting as a clearing house of available statistical data, and as a coordinating body for the statistical agencies. In addition to preventing duplication, such an organization should use its influence to see that the agencies collecting statistics for their own use do as much as possible to satisfy the needs of other governmental agencies, which are less directly concerned with the particular statistics, but nevertheless need them in their work.

This work has been performed by the Central Statistical Board, which has been in operation for 5 years, and has been extremely useful and effective. In the Board's judgment, the Central Statistical Board should continue to function, and its ability to make its

efforts toward economy and efficiency effective should be increased by providing appropriate machinery for enforcing its decisions.

It is this Board's understanding that the Central Statistical Board has been asked by the President to survey the situation and to report its findings and recommendations, and that it is at present engaged in this work. Decision about the exact means for bringing about the desired results should, in the opinion of the Board of Governors, await this report of the Central Statistical Board.

Sincerely yours,

(Signed) M. S. ECCLES, *Chairman*.

FEDERAL DEPOSIT INSURANCE CORPORATION,
Washington, November 9, 1938.

HON. MARVIN H. MCINTYRE,
Secretary to the President,
The White House, Washington, D. C.

MY DEAR MR. MCINTYRE: We believe that in general the present decentralized form of statistical organization should be preserved but that the duties of the Central Statistical Board should be expanded so as to include:

(a) More effective review and coordination of questionnaires and inquiries and more effective powers in the coordination of data collected by the various agencies:

* * * * *

There is a distinct need of more coordination between the operations of Federal agencies dealing with banks and the Bureau of Internal Revenue. Establishment of income and profits in accordance with supervisory rules should be determinative for purposes of income taxation, thus making it unnecessary for banks to prepare two different sets of income statements. This also requires legislation.

Two memoranda, one dealing with the functions of a central statistical agency and the other dealing with duplication and coordination of the statistical work of this Corporation with that of other agencies are attached.

Very truly yours,

(Signed) LEO T. CROWLEY, *Chairman*.

DUPLICATION AND COORDINATION OF STATISTICAL WORK OF THE FEDERAL DEPOSIT INSURANCE CORPORATION WITH THAT OF OTHER FEDERAL AGENCIES

TYPES OF DUPLICATION IN STATISTICAL WORK

* * * * *

Three types of duplication in statistical work are possible: Duplication in questionnaire inquiries, duplication in analysis and research conducted, and duplication in the reports published or prepared.

Duplication in questionnaire inquiries occurs when respondents are asked to prepare questionnaires of similar types involving similar items but which are sufficiently different to involve separate compila-

tions or analyses. Where reports are identical and duplicate copies submitted to different agencies, duplication of work is not involved.

Duplication in analysis and research occurs when more than one agency makes use of similar sets of data covering essentially similar fields of investigation, or where identical or similar problems are analyzed by two or more agencies, even though widely different approaches and sets of data may be used.

Duplication in reports published or prepared occurs when similar or identical data are published currently or occasionally for the use of substantially the same group of readers. Duplication in this sense would not be said to occur when one agency reprints in identical or similar form data prepared by another agency, or in cases where the two publications reach for the most part different groups of people.

FEDERAL AGENCIES ENGAGED IN STATISTICAL WORK IN RESPECT TO BANKS

At least seven Federal agencies obtain regular statistical or administrative reports from banks. The agencies which receive reports primarily statistical in character and those primarily administrative in character are shown below. The questionnaires used by these agencies are described in detail in the report of the Central Statistical Board on statistical agencies of the Federal Government.

| | Statistical reports | Administrative reports |
|---|---------------------|------------------------|
| BANKING AGENCIES | | |
| Board of Governors of the Federal Reserve System..... | X | X |
| Comptroller of the Currency..... | X | X |
| Federal Deposit Insurance Corporation..... | X | X |
| Reconstruction Finance Corporation..... | — | X |
| Bureau of Internal Revenue..... | — | X |
| Social Security Board..... | — | X |
| Board of Trustees of the Postal Savings System..... | — | X |

DUPLICATION IN AND COORDINATION OF STATISTICAL REPORTS

* * * * *

There has been and is lack of coordination among the Federal bank supervisory agencies in their statistical reporting work. In the past, reports of assets and liabilities have differed somewhat in composition and detail. Efforts have been made to eliminate such differences, and at the present time a tentative, standard form applicable uniformly to the three main Federal bank supervisory agencies has been devised. The reports of earnings, expenses, and disposition of profits, while similar in many respects, differ in detail and in method of approach. Conferences are in progress and efforts are being made to secure uniformity in these reports also.

DUPLICATION IN AND COORDINATION OF REPORTS FOR ADMINISTRATIVE PURPOSES

There are several cases of duplication between reports obtained by the Federal Deposit Insurance Corporation and reports for administrative purposes by other agencies. Such duplications include (1) reports of daily deposits received by the Corporation and by

the Board of Governors of the Federal Reserve System, (2) reports of earnings obtained by the banking agencies and by the Bureau of Internal Revenue, and (3) reports of the number of bank officers and employees obtained by the corporation and by the Social Security Board.

* * * * *

DUPLICATION IN AND COORDINATION OF ANALYSIS AND PUBLICATION OF DATA

More duplication occurs in the analysis and publication of data regarding banks than in the collection of reports for statistical or for administrative purposes. Such duplication includes (1) records of banks, (2) publication of data, and (3) research and analysis.

The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation each maintains a list of national banks members of the Federal Reserve System. The Federal Deposit Insurance Corporation and the Board of Governors of the Federal Reserve System each maintains the following lists:

- (a) State banks members of the Federal Reserve System.
- (b) Insured banks not members of the Federal Reserve System.
- (c) Noninsured banks.
- (d) Branch banking systems.
- (e) Branches.

The Comptroller of the Currency, the Board of Governors of the Federal Reserve System, and the Federal Deposit Insurance Corporation each publishes data relating to all banks. The data published are not in agreement. These differences arise in part from differences in source material and in part from differences in definition of the term "banks." The differences due to source material should be largely eliminated by the adoption of a uniform call report form by Federal and State agencies and by modification of outmoded Federal laws which in some instances specify the sources from which data are to be obtained. Differences arising from definition of the term "banks" are due in part to confusion in definitions embodied in existing laws and in part to the difficulties of applying a definition to specific cases. These differences are being gradually reduced through consultation among the agencies concerned.

Information on assets and liabilities and capital account and on earnings, expenses, and disposition of profits of national banks members of the Federal Reserve System is also published by the three banking agencies. Similar data for State banks members of the Federal Reserve System are published by two agencies.

Other series pertaining to banks and banking structure published by more than one agency include the following:

- (a) Distribution of banks by size and other characteristics by the Federal Deposit Insurance Corporation and by the Board of Governors of the Federal Reserve System;
- (b) Statistics on bank suspensions by the Federal Deposit Insurance Corporation, the Board of Governors of the Federal Reserve System, and the Comptroller of the Currency;

(c) Statistics on reorganization, mergers, consolidations, liquidations, and conversions by the Federal Deposit Insurance Corporation and by the Board of Governors of the Federal Reserve System.

The publications in which duplicate data regarding banks appear are as follows:

(a) Board of Governors of the Federal Reserve System, Federal Reserve Bulletins (monthly and annual reports):

(b) Comptroller of the Currency, annual reports;

(c) Federal Deposit Insurance Corporation, annual reports.

Some duplication occurs also in research activities other than the collection and publication of current data. For example, both the Board of Governors of the Federal Reserve System and the Federal Deposit Insurance Corporation have been or are engaged in extensive analyses of the number and distribution of bank suspensions.

Elimination or substantial reduction of duplication in the records of banks, publication of data regarding banks, or in other research activities, appears to be impossible so long as three separate agencies exist, and so long as it appears desirable to keep the public reasonably well informed regarding banking developments and the policies of the Federal banking agencies. Publication of statistical data oriented to the particular interests and problems of each agency is desirable and necessary. Each responsible agency must have facilities for studying and investigating problems relating to the duties and responsibilities of that agency. Even within a single agency some duplication in the analysis of data is necessary in order to test the adequacy of the data and their applicability to particular problems.

PROCEDURE FOR ELIMINATION OF DUPLICATION OF REPORTS FROM BANKS

Centralization of bank reporting in a single agency would not reduce the burden upon the public nor result in a significant saving in cost. Such duplication of reporting as occurs is due primarily to legislative requirements and can only be eliminated by changes in the law, rather than by changes in the agencies collecting data. Existing laws should be amended in order that the determination of gross deposit liabilities and deductions, exclusive of amounts due from banks, should be identical in reports to the Board of Governors of the Federal Reserve System for reserve purposes and to this Corporation for assessment purposes. Establishment of income and profits in accordance with supervisory rules should be determinative for purposes of income taxation, thus making it unnecessary for banks to prepare two different sets of income statements.

If the powers of the Central Statistical Board relating to the review of questionnaires are made more effective, ample machinery would be provided for the elimination of any duplication of reports other than that made necessary by legislative requirements.

Creation of an advisory committee consisting of representatives from the Central Statistical Board, Social Security Board, Bureau of Internal Revenue, and each of the three agencies dealing primarily with banks, would be useful in working out detailed recommendations for changes in present legislative requirements and for future coordination of the collection of statistical data from banks.

COORDINATION OF STATISTICAL WORK OF THE FEDERAL GOVERNMENT

At least three objectives are sought in the attempts to secure greater centralization or coordination of the statistical work of the Federal agencies, bureaus, and departments:

(a) Elimination of duplication to reduce the cost to the Government and the burden upon the public in submitting data;

(b) Avoidance of confusion and conflict in the development and presentation of statistical series; and

(c) Avoidance of conflict in administrative policy resulting from conflicting factual bases or conflicting interpretations of the meanings of statistical data.

From the standpoint of the Federal Deposit Insurance Corporation, three lines of development respecting centralization or coordination of statistical work are possible: (1) Establishment of a single agency to handle all of the statistical work of the Federal Government; (2) establishment of a single agency to handle all bank statistics; and (3) better coordination with other agencies of the Federal Government.

ADVANTAGES AND DISADVANTAGES OF A SINGLE AGENCY FOR ALL
STATISTICAL WORK OF THE GOVERNMENT

Centralization of all statistical work of the Government would result in complete uniformity and coordination of reporting services. However, such a central agency would create problems far more serious than those resulting from the present lack of coordination. The collection of statistical data would be divorced from the development of policy by the various agencies. Under this situation a central agency for statistical work would become an establishment for the sole purpose of preparing and presenting figures.

Undue emphasis would be placed upon precedence, uniformity, and historical comparability and, in consequence, compilation of "dead statistics" would multiply while operating agencies would find it difficult to obtain statistical information essential for dealing with their own problems.

The centralization of analytical and research phases of statistical work is even less feasible than centralization of the collection of data. The separate agencies with their separate duties and responsibilities must be able to make their own factual analyses used as bases for administrative policies and conduct of operations.

ADVANTAGES AND DISADVANTAGES OF A SINGLE AGENCY FOR ALL BANK
STATISTICS

A single agency for the collection and analysis of all bank statistics would be subject to the same difficulties resulting from a single agency for all of the statistical work of the Government. An agency for all bank statistics would not be able to provide each of the agencies dealing with banking and monetary problems the kinds of analyses which they need for their own special problems.

ADDITIONAL FUNCTIONS OF THE CENTRAL STATISTICAL BOARD

Some phases of the statistical work of the Federal Government can be handled more satisfactorily by a central board than by the various establishments. A central statistical agency is desirable for handling three types of work: (1) Review and coordination of questionnaires sent out by all agencies; (2) maintenance of a clearing house of information regarding statistical data available in published and unpublished governmental sources and, insofar as possible, private sources; and (3) preparation of statistical series and analytical surveys dealing with the entire economic organization and involving the use of data collected by a number of agencies.

REVIEW AND COORDINATION OF QUESTIONNAIRE INQUIRIES

In our opinion the powers of the Central Statistical Board should be strengthened in order to settle in a more satisfactory manner conflicts arising among the various agencies. Insofar as the agencies dealing with banks are concerned it does not appear to be desirable to give the Central Statistical Board final authority regarding the form of questionnaires sent out. However, neither the Corporation nor other agencies dealing with banks should be permitted to change an established form or procedure or to introduce a new form without prior review by the Central Statistical Board or submission of the proposed form to the Board a specified minimum number of days prior to issuance. Such a procedure would permit the Central Statistical Board to determine whether the data desired were available elsewhere or could be obtained more readily through some other means and whether the inquiry would result in duplication or conflict with data being collected or proposed to be collected by other agencies.

In cases where it is impossible for the agencies concerned in a particular type of inquiry to agree upon a procedure which will avoid conflict, duplication and lack of coordination, the Central Statistical Board should report the facts to the Chief Executive or to Congress, or perhaps in a monthly publication. It is important that the character of such conflicts be known so that persons in responsible places may be aware of their existence and nature. This procedure, we believe, would result in increased coordination without weakening the authority of individual agencies to pursue inquiries which they deem necessary for the discharge of their duties.

* * * * *

FEDERAL HOME LOAN BANK BOARD,
November 10, 1938.

MR. MARVIN H. MCINTYRE,
Secretary to the President,
The White House, Washington, D. C.

MY DEAR MR. MCINTYRE:

* * * * *

In general, the Board favors, so far as is practicable, the establishment of centralized clearance and a mechanism to handle the assembly, compilation, and distribution of external statistical data.

* * * * *

It is entirely possible that certain kinds of statistical information which are primarily internal are also of general use and by enlargement of base would become more generally serviceable. In such cases, it may prove desirable to provide for specific cooperation among agencies. Each would make such use of its own facilities as it desired and contribute such of the information as gathered as agreed upon to a common pool, where it could be used for the special benefit of the participating organizations.

With regard to statistical data that are not now available but which are needed by the Board and also by other agencies cooperating with the Central Housing Committee, there are listed below various time series, the collection of which could be allotted to the several agencies according to their facilities and funds. Central Statistical facilities would make possible the determination of, (1) what information was already available, (2) which agency should collect part or all of the desired data, (3) how the information should be released in order to be of greatest value to all concerned. The result should be a comprehensive statistical and research program on housing, with the labor of assembling and distributing so apportioned as not to place an excessive burden on any individual agency.

* * * * *

It is the opinion of the Board that if a central machinery were set up and properly administered by a staff with a constructive point of view toward the statistical and research problems and needs of all governmental agencies, that more reliable information of current economic movements will be assembled. In the process, certain gaps will be closed and wasteful duplications eliminated. The Board believes that a clearinghouse of statistical information should be established and that through a central statistical unit increased economies and highly beneficial services can be achieved.

Sincerely yours,

JOHN H. FAHEY, *Chairman.*

FEDERAL HOUSING ADMINISTRATION,
Washington, November 7, 1938.

HON. M. H. MCINTYRE,
Secretary to the President,
The White House, Washington, D. C.

MY DEAR MR. MCINTYRE:

* * * * *

These basic series could well be secured by a centralized organization. They would be valuable to all Government agencies whose operations affect housing, home financing, and real estate. If collected and made available at frequently recurring intervals, they would be of inestimable value not only to Government agencies, but to a large segment of the economic life of the Nation, including manufacturers of building materials, real-estate financing agencies, construction contractors, and labor in the building trades. They would go far toward enabling the stabilization of this erratic but basic industry. At the present moment the Government agencies which are concerned with these problems are obliged to formulate their policies on the basis of fragmentary data, much of which must

be interpolated in such a way as to create the probability of wide margins of error in both the interpolation and in the interpretation of results.

This necessity creates a considerable amount of duplicated effort and variation in results to the confusion of public and private opinion and policy. The Central Statistical Board has, in the opinion of this administration, done much to coordinate these efforts and to prevent some of the duplication and confusion which might have existed without their effort. These can be eliminated, however, only by the establishment of authoritative and comprehensive series prepared by a centralized organization.

* * * * *

The Federal Housing Administration would recommend and support any feasible proposal for the centralization of the function of compiling comprehensive basic series such as housing censuses, and data on volume of construction, vacancy-occupancy, activity in the real estate and housing market, and the volume of mortgage financing consummated, provided that the plan gave opportunity for the agencies using the series thus compiled to consult on the form in which and methods by which they are compiled and reported. We do not believe that the interpretation of these basic data, and the statistical activities involved in the solution of particular administrative problems, can properly be conducted by a centralized organization.

Sincerely yours,

STEWART McDONALD, *Administrator.*

FEDERAL POWER COMMISSION,
Washington, November 1, 1938.

HON. M. H. MCINTYRE,

Secretary to the President,

The White House, Washington, D. C.

MY DEAR MR. MCINTYRE:

* * * * *

This Commission believes wholeheartedly in cooperation with other agencies of the Government in the elimination of duplicate reports and the compilation of statistics, and, further, has put this belief into active practice. Some of the steps taken toward this end are as follows. A few years ago, production statistics of electric plants were compiled by the Geological Survey. This Commission, of course, had great need for the same information and in order to avoid duplication of effort, the matter was discussed with representatives of the Geological Survey with the result that the latter agency discontinued the work and the compilations for some time past have been handled by our agency exclusively. When the Uniform System of Accounts was in preparation, the various State commissions and the Securities and Exchange Commission were invited to participate in order that one national accounting system for electric utilities might result, thus avoiding the keeping of two sets of books and unifying the recording of financial transactions. This effort was attended with great success, the resulting accounting system,

it is estimated, being now used by about 90 percent of the electric industry, measured either by total revenues or total assets. Somewhat over a year ago, the Commission began to compile a comprehensive annual report form for electric utilities. Again the State commissions, the Securities and Exchange Commission, and certain other agencies were invited to participate with the thought in mind that perhaps a national report form could be achieved. As result of this effort, a comprehensive report form was devised and that report form today is in wide, general use by electric utilities in reporting to not only this Commission but to the various State commissions as well. The latter report form was discussed in some detail with representatives of the Central Statistical Board, and a representative of that Board sat in conference with representatives of the Federal Power Commission and various State commissions. The Central Statistical Board very kindly discussed certain phases of the form with the Rural Electrification Administration for the purpose of trying to have included in the one report information which the Rural Electrification Administration needed, so that the latter agency would not send a similar questionnaire to the various companies. In compiling the large annual report form, considerable debate occurred as to the nature of labor statistics which should be called for therein, but because it was felt that the Department of Labor was chiefly interested in such statistics and because of the large volume of labor data regularly reported to the Social Security Board, it was felt that an unnecessary duplication would occur if comprehensive labor statistics were asked for and, consequently, this matter was held in abeyance pending the working out of uniform labor statistics by the other agencies mentioned.

It is the opinion of the Commission that the decentralization plan plus cooperation such as described above is the most efficient means of compiling highly technical statistical data, and the Commission recommends that this plan be adhered to, keeping in effect the present practice of requiring review of questionnaires by the Central Statistical Board. It is also recommended that wherever there is a possibility of duplicating reports and the compilation of statistics by two or more agencies, the Central Statistical Board have the authority to eliminate the duplication, after conferences with representatives of the agencies concerned, by designating the agency which should have the primary responsibility.

Sincerely yours,

CLYDE L. SEAVEY, *Acting Chairman.*

FEDERAL TRADE COMMISSION,
Washington, November 3, 1938.

THE PRESIDENT,
The White House, Washington, D. C.

MY DEAR MR. PRESIDENT:

* * * * *

In conclusion, this Commission is of the opinion that the present general system, whereby each office collects and analyzes the statistics which it needs in the performance of its duties, is based on

sound principles and should not, generally, be departed from, except as the agencies affected are themselves satisfied that some form of cooperation is feasible.

* * * * *

Finally, the Commission is thoroughly in accord with the general policy represented by the establishment of the Central Statistical Board as an office of information and timely suggestion, helping especially to prevent wasteful duplication of work involving unnecessary and unjustifiable harassment of the general public.

Respectfully yours,

GARLAND S. FERGUSON, *Chairman*.

FEDERAL TRADE COMMISSION

STATEMENT FOR THE PRESIDENT REGARDING THE ORGANIZATION OF THE STATISTICAL WORK OF THE GOVERNMENT

* * * * *

The question of the consolidation of the statistical services is not a new one. A serious study, involving the taking of a good deal of expert testimony on the subject, was made by a special committee appointed by the President about 30 years ago, which reported conclusions against a general centralization of the Government statistical work. It was being urged at that time, particularly, by the Census Bureau.

* * * * *

ORGANIZATIONS REQUIRING INDEPENDENT STATISTICAL UNITS

* * * * *

The investigative work of the Federal Trade Commission requires the collection of a great variety of data, from time to time, on many kinds of business and on many different business problems. Wherever possible, it utilizes information collected by other organizations, though in some instances such information cannot be made available to it because of overdrastic restrictions regarding confidential treatment. Such excessive limitations make it necessary to get the same data independently.

* * * * *

A CONSOLIDATED STATISTICAL OFFICE

Another answer to the proposal to consolidate statistical work might be to take the census out of the Department of Commerce and set it up, together with various other important statistical offices in an organization independent of any executive department, with a board at its head, composed of statistical and accounting experts.

In such a vast organization (considering merely the permanent offices) could be ranged:

(a) Census statistics, foreign trade statistics (both from Commerce);

(b) Internal revenue statistics, including income tax statistics (corporation and personal), banking statistics, gold and silver pro-

duction statistics, public health statistics (all from the Treasury);
 (c) Education statistics, petroleum, coal, base metals, and minerals statistics (from the Interior Department);

(d) Agricultural production statistics, farm management statistics, commodity exchange statistics, meat industry statistics, Forest Service statistics, etc. (all from Agriculture);

(e) Wages statistics, commodity price statistics, immigration statistics, etc. (from the Labor Department);

(f) Railroad and motor bus investment, income and operating statistics (from the Interstate Commerce Commission);

(g) Telephone, telegraph, and radio investment, income and operating statistics (from Federal Communications Commission);

(h) Electric and natural gas pipe line investment, income and operating statistics (from the Federal Power Commission); to say nothing of many other items in these or other Government offices.

MINOR METHODS OF CONSOLIDATION

Rather than any general consolidation, several minor consolidations might be made. For example, some of the independent commissions could be consolidated such as those now regulating various utilities. And some of the functions similar to those of the Federal Trade Commission now existing in some executive departments could be transferred to it, such as the administration of some portions of the Packers and Stockyards Act. With such changes there would naturally follow a consolidation of certain branches of statistical work. But it would be very unwise to make such changes merely for the purpose of consolidating statistical work.

There might be even a consolidation of some of the executive departments, involving consolidation of statistical work among them, to a small extent, but to make consolidations on this ground would seem foolish.

In preference to these plans, it might even be suggested that the real answer was to split up the Census Bureau, leaving the statistics relating to manufactures, trade, etc., to the Department of Commerce, and transferring the statistics of agriculture to the Department of Agriculture, and the statistics of population to the Department of Labor. This is a distinctly different line of approach, but it is probably just as logical as some others.

No plan of greater concentration, to say nothing of consolidation, would be simple and easily accomplished for various reasons, among which are differences of opinion and inertia, as well as many troublesome practical details.

While a general consolidation of the great bulk of the statistical services of the Government seems to be impractical, there still remains the question whether there might not be a heavy concentration of work. This has sometimes been advocated with respect to the census. The Department of Commerce apparently has not advocated consolidation even among its own statistical services.

* * * * *

DUPLICATION OF STATISTICAL WORK

Among the most important instances (duplication) immediately occurring to this Commission are the following:

(1) The general statistical work of the census regarding manufactures and industries may duplicate in a rough manner the income-tax data of the Treasury Department, and the financial and operating results of certain regulatory commissions for particular kinds of public utilities.

(2) The agricultural statistics of the census may also duplicate in some degree the various statistical enterprises of the Department of Agriculture.

In this connection, the Commission desires to state that it suggests no objection to this situation, recognizing the differences in the periods covered, and many details in respect to the data collected. Indeed, this Commission believes that these services tend to support and complement each other, and that the duplication in any objectionable sense of the term is not of serious importance.

* * * * *

A CENTRAL ADVISORY OFFICE

Leaving aside such an ambitious project as a general, or even a large scale, concentration of the statistical work of the Government, consideration may be given to any plans for providing some very general supervision of such statistical work.

It seems quite reasonable to assume that some form of general supervision would be desirable, especially one established with a view to assisting in an advisory capacity, (1) in the promotion of efficiency, (2) in the improvement of technique, (3) in avoiding the duplication of work, and (4) in preventing unnecessary demands on individuals or companies, while refraining from attempting to control the particular units.

Such an office might be a repository of information in easily accessible form regarding the various types of statistical work being conducted (or formerly conducted) by the numerous Government offices, which would be available for examination and study. Access to, and use of, such information might forestall a new project to cover substantially the same field, in whole or in part. Such a depository, also, might furnish instructive examples of how to frame, or how not to frame, a certain kind of questionnaire, etc., especially if a proper commentary was kept regarding each project.

This central statistical office also might have the function of examining all the questionnaires as prepared for issuance before they are actually sent out, with a view to discovering any unnecessary duplication of work.

Incidentally, notice should be taken of any technical defects or accidental error, or obscurities, in their formulation. If such defects seemed to exist, such an office should, doubtless, inform the office which prepared the questionnaire. This central office, however, should not, presumably, assume any responsibility for the propriety, reasonableness, or adequacy of the questionnaire, but should limit itself to suggestions in that respect.

Obviously such a central office could not be expected to be as well informed on all the subjects of inquiry as most of the issuing offices in their own particular field, nor should it delay proceedings in order to inform itself elsewhere whether the questionnaire was well prepared or not. Such inquiry, in fact, might itself involve duplication, because it is not uncommon where one office undertakes a particular inquiry regarding which it knows that another office is in a position to give substantial assistance, or advice, that timely inquiry is made regarding the matter by the office originating the questionnaire.

It should also be the duty of this office to study and advise regarding the methods of handling the statistical data obtained and the forms of statement used in the exposition of the results.

It is important that such a central organization, or board, should be so constituted that it will give impartial consideration and service to all Government offices with which it has dealings. For this reason, it should be so constituted, as respects the controlling persons, that this impartiality may be reasonably assured. All the important offices affected by its activities should have appropriate representation on the board and opportunity for advising the executive officers thereof in respect to policies.

Any form of organization which gives to a few Government offices continuing representation in the membership of the board, to the exclusion of others, tends to detract from its impartiality in its advisory duties, and consequently from its maximum influence for good in the promotion of the statistical work of the Government.

* * * * *

CONCLUSION

In conclusion, this Commission is of the opinion that the present general system, whereby each office collects and analyzes the statistics which it needs in the performance of its duties, is based on sound principles and should not, generally, be departed from, except as the agencies affected are themselves satisfied that some form of cooperation is feasible.

As for those branches of statistical work that are not auxiliary to the administration of specific duties, the Commission believes that arrangements differing from those now in existence may be in some instances quite practical. It thoroughly distrusts, however, the idea that consolidation should be assumed, as a matter of course, to carry with it substantial gains in economy and efficiency, having due regard to the quality and usefulness of the results. In this field, it is not able at short notice to offer in detail suggestions of immediate change.

Finally, the Commission is thoroughly in accord with the general policy represented by the establishment of the Central Statistical Board as an office of information and timely suggestion, helping especially to prevent wasteful duplication of work involving unnecessary and unjustifiable harassment of the general public.

INTERSTATE COMMERCE COMMISSION.

*Washington, October 27, 1938.*By W. M. W. SPLAWN, *Chairman.*CENTRALIZATION *v.* DECENTRALIZATION IN STATISTICS AS AFFECTING
THE WORK OF THE INTERSTATE COMMERCE COMMISSION

* * * * * *

There is no appreciable duplication of statistical effort as between the Interstate Commerce Commission and other Government agencies. It is true that the Department of Agriculture, for example, is interested in certain phases of transportation but its statisticians are in frequent conferences with those of the Interstate Commerce Commission and their efforts supplement each other without duplication. The nature and volume of Interstate Commerce Commission statistics have been the subject of conferences from time to time with representatives of the carriers which must file the reports and it is believed that the frequent revisions that are made in the forms serve to keep them abreast of current needs and that the statistics are not excessive in volume. On the contrary, investigation will show that there is more need for expansion than contraction of transport statistics.

SECURITIES AND EXCHANGE COMMISSION,

Washington, November 15, 1938.

MR. M. H. MCINTYRE.

*Secretary to the President.**The White House, Washington, D. C.*

MY DEAR MR. MCINTYRE:

* * * * * *

It is the feeling of the Commission that a central statistical bureau could be established with resulting efficiency of operation in the field of mass production statistics which are properly employed in such projects as periodical censuses of population, production and distribution, and the like. Consistently with the establishment of such an agency, however, particular fields of statistical work can be left with the various Federal agencies where, as in the case of this Commission, the data are collected in the course of administrative or regulatory activities and call for their use and interpretation by personnel having the necessary specialized experience.

It appears to us that a delimitation of the activities of the various agencies such as that just suggested might not generally present great difficulties. The Commission recognizes, however, that particular problems exist; e. g., with respect to the financial statistics of corporations, particularly information on inventories, orders received, unfilled orders, and similar matters.

At the present time several agencies of the Government are interested in this field and considerable duplication of effort seems to exist or to impend. Because of the complex nature of this particular problem, the Commission feels that a special committee might well be created to give careful study to the situation and to recommend the assignment of this subject to that agency best fitted to assemble and keep these statistics by reason of the character of its personnel.

its present relations with respondents and the nature of its statistical activities. Other problems of a like character might well be handled in the same manner.

Yours faithfully,

(Signed) WILLIAM O. DOUGLAS,
Chairman.

SOCIAL SECURITY BOARD,
Washington, D. C., November 10, 1938.

By A. J. ALTMAYER, *Chairman.*

THE PROBLEM OF CENTRALIZATION IN RELATION TO SOCIAL SECURITY STATISTICS

* * * * *

III. THE FUNCTION OF A CENTRAL STATISTICAL AGENCY

Even though the Social Security Board is strongly opposed to the shifting of any of its present statistics to a central statistical agency, the Board nevertheless is of the opinion that there are certain types of needed statistical data which can best be collected by such a central agency. For example, the Board has now no powers or facilities at its disposal for the collection of data which is beyond the scope of the present operations of the social-security program. The best method for obtaining comparative information concerning the covered and the noncovered groups in the working population would be through a general census. Therefore, the coming census of 1940 is of vital importance to the Board in the following respects:

* * * * *

There is urgent need for closer coordination between the various agencies and the Census Bureau, in order to obtain for these agencies the maximum possible service from the Census Bureau.

IV. COORDINATION OF STATISTICS IN THE FEDERAL GOVERNMENT

It seems to the Social Security Board that Federal statistics would be much improved by the further development of a strong coordinating agency along the lines recommended by the Committee on Government Statistics and Information Services 4 years ago. This committee urged the establishment of some central agency to coordinate the statistical activities of the various agencies, not only to eliminate duplication and competition but also in order to enhance the value and general usefulness of the data collected. Among the important functions to be performed by such an agency are the following:

1. *Avoidance of duplication.*—(a) In statistical work in Washington, and (b) in contacts with reporting agencies throughout the country.

Any agency which effectively analyzes its problems and plans its program requires, in addition to the data flowing naturally out of its administrative operations, certain other data related to these opera-

tions. In the absence of any machinery for coordination, each agency tends to collect the data which it considers necessary. Under such circumstances, duplication and conflict are almost inevitable. As an example, in 1936 both the Social Security Board and the Works Progress Administration needed data concerning the general relief loads in the States. Both agencies might have established reporting systems for this purpose. However, in collaboration with the Central Statistical Board, the problem of collection of general relief statistics was canvassed by the two agencies. As a result, the Works Progress Administration withdrew from the direct collection of relief statistics and turned the work over to the Social Security Board, which is already in direct contact with the State welfare departments administering the public-assistance programs. The Social Security Board agreed to make available to the Works Progress Administration in Washington the complete data reported by the State agencies for use by the Works Progress Administration for analytical and administrative purposes. Thus, duplication in collection was avoided while both agencies obtained the data needed for the planning of their respective programs.

2. *Increasing the comparability and general usefulness of data collected by different agencies.*—Another weakness inherent in the collection of statistics by the administrative agencies themselves is that each agency defines its terms, formulates its requirements, and tabulates its results in ways which it considers most useful for its own immediate purposes. Yet, many of the data collected for these agencies have very great general usefulness to other agencies and to the general public. There is need, therefore, for some machinery through which these various agencies would be induced to modify their methods in the light of general needs. The problem of industrial classification is a case in point. The basic classification of American industries is that established by the Bureau of the Census. Similar classifications (sometimes with minor variations from the census) are widely used in the Department of Labor, the Treasury Department, the Department of Agriculture, and others. The Social Security Board considered it essential to establish a standard industrial classification system, both for the old-age insurance records in Baltimore and for the unemployment-compensation records in the States. Otherwise, there was the possibility that 51 different State classifications of industries might have been adopted.

This problem was met by the establishment through the Central Statistical Board of a committee on industrial classification, representing the various Federal and State agencies involved in this matter. For the past 2 years, this committee has been active in working out a single uniform classification of industries which will be acceptable to all agencies. A major 2-digit classification has already been worked out and has been installed by the Social Security Board in the 51 States' unemployment compensation agencies and in the old-age insurance office in Baltimore. It is expected that this same classification will be used by the Census Bureau in the census of 1940 and that eventually all other Federal and State agencies will apply it in the tabulation of their data.

3. *Establishment of a clearinghouse of statistical information.*—Agencies often find it difficult to discover what information on a given problem is already available in Washington. The Social

Security Board, as one among the many Federal agencies administering grants-in-aid to the States, is vitally concerned with data relating to the economic resources and fiscal capacities of the States. It was necessary to circularize all the Government departments by means of an extensive questionnaire to find out what the various agencies were doing and what information might be generally available. There is need for the establishment of a central clearing-house which would maintain up-to-date reports concerning the work of all agencies.

4. *Planning a Federal statistical program.*—In any decentralized statistical system, there are likely to be gaps of greater or lesser extent in the statistical data needed for general purposes. A coordinating statistical agency would necessarily have the task of planning a comprehensive Federal statistical program and working out arrangements for filling such gaps as exist. This would involve planning for the collection of required data, helping decide where such collection should be undertaken, and assisting the collecting agency in making the data useful for other agencies.

5. *Obtaining the cooperation of the operating agencies.*—Effective coordination requires the close cooperation of the agencies which are to be coordinated. This cooperation can best be obtained when the operating agencies have definite representation in the coordinating agency so that they can help determine its policies and procedures. It is also essential that the coordinating agency itself should not be an operating agency collecting statistics for its own purposes. Under such circumstances, the other operating agencies are likely to distrust its motives and, therefore, to resist its program. However, when such an agency limits itself to the task of coordination, and when in doing so it represents the collective interest of the operating agencies themselves, then it constitutes the most effective instrument for the development of statistics for broad general planning purposes.

UNITED STATES MARITIME COMMISSION,
Washington, November 10, 1938.

Hon. M. H. McINTYRE,

Secretary to the President,

The White House, Washington, D. C.

DEAR MR. McINTYRE: * * *

* * * * *

In order to have the benefit of the trained organization of the Central Statistical Board in the compilation, preparation, and publication of statistical data, the Maritime Commission will call upon the Central Statistical Board for consultation and advice from its specialists in the development and use of the best methods of procedure. It may be that such consultation may disclose possible consolidations which are not now apparent to the Commission. At the present time we know of no transfers which it would be practicable to make from the Commission to a central agency.

We assure you that we are heartily in accord with the plan to coordinate the preparation of statistical data and the elimination of unnecessary duplications.

With assurances of our full cooperation, I remain

Sincerely yours,

THOMAS M. WOODWARD,
Vice Chairman.

UNITED STATES TARIFF COMMISSION,
Washington, November 8, 1938.

By Oscar B. Ryder, Acting Chairman.

MEMORANDUM FROM THE TARIFF COMMISSION ON PROBLEMS OF STATISTICAL ORGANIZATION OF THE FEDERAL GOVERNMENT

The Tariff Commission has considered the problems of statistical organization of the Federal Government and favors such coordination of its own statistical activities with those of other agencies as is now being accomplished by the Central Statistical Board. Such an organization can eliminate duplication of work, reduce the demands on industry for information, and increase the use of the statistical data obtained. The contacts of the Tariff Commission with the Central Statistical Board indicate that the Board is achieving important results and, doubtless, still more can be accomplished by the procedure that the Board has pursued. Possibly, however, the advantages of coordination can be fully realized only through consolidation of at least such agencies as regularly collect statistics in the same or closely related fields.

The Tariff Commission itself does not regularly collect basic statistical data and believes therefore that practically all of its own statistical work is of sorts not intended to be covered by the present survey and that this work could not be transferred advantageously to a central agency. The remainder of this memorandum is a description of the Commission's statistical activities and an explanation of the belief just expressed.

The statistical work performed by the Commission, which involves the collection of data from business concerns, is undertaken only in connection with specific investigations and reports and could not well be performed outside the Commission's organization. To illustrate: When the Congress or the President calls upon the Commission to make a cost investigation of the competition between an imported and a domestic product the commodity is frequently not one upon which separate data on imports and domestic production are available; frequently, even when such data are available, the competition varies greatly from one region to another within the United States and the statistical data necessary for making regional analyses of the trade are almost never obtainable except through special inquiry. In practically no case are appropriate cost data collected by other agencies and such price information as is available from official sources and trade publications is seldom adequate for the consideration of tariff problems. The Commission finds it

necessary, in its cost and in many of its other investigations, therefore, to obtain more detailed data from the businesses concerned. It does not appear that any agency could perform efficiently such statistical work separately from the exercise of the functions assigned to the Tariff Commission by law.

Any questionnaires used by the Commission in connection with such statistical work as that referred to above are now submitted to the Central Statistical Board for review. In one case the Board was able to call to the Commission's attention that the information desired was being collected by another agency, and in several cases the Board suggested improvements in the questionnaires which made the data obtained tie in better with related data from other sources. The Commission, therefore, approves of this method of coordinating its statistical work with that of other agencies.

* * * * *

WORKS PROGRESS ADMINISTRATION,
Washington, D. C., November 9, 1938.

The Honorable MARVIN H. MCINTYRE,
Secretary to the President, The White House.

MY DEAR MR. MCINTYRE:

* * * * *

There are two major phases of the problem of coordinating governmental statistical and research activities. First, there is the important problem of organizing the statistical work carried out within individual agencies or departments. Secondly, in its broader aspect, the problem involves coordination of the statistical and research activities of the several agencies engaged in work of this kind.

* * * * *

Experience indicates that the problem of coordinating the research and statistical work of the various agencies, as distinguished from coordination within an individual agency, may best be met by an independent central coordinating unit close to the President and free from major operating responsibilities. This unit would not itself collect statistics or conduct surveys. It should, however, have research and planning functions as well as that of technical responsibility for the coordination of the statistical programs of the various agencies. This would require a permanent and highly qualified professional staff, representation of the research personnel of the major agencies, and an administrative head appointed by the President.

Such a central unit should have the power to review the existing statistical programs of any agency at any time and to make recommendations to the agency heads for change or modification. For other than purely operating statistics, its approval should be necessary before the initiation of any important new statistical undertaking.

Properly implemented, the central coordinating and planning organization would provide: (1) Essential technical review to safeguard standards and to assure the highest professional performance and efficiency in the statistical work of the agencies; (2) interpretation

and analysis of the statistical and other information produced by the various agencies from the point of view of national policy; (3) initiation, through the proper agency, of new work necessary to fill the gaps in our existing information or to improve the quality of research and statistical information; and (4) efficient allocation of executive assignments in the field of statistics and research.

The central unit would also provide an effective instrument through which an agency could arrange the designation of other agencies to develop pertinent information which extends beyond its own immediate sphere of operation but is nevertheless important to its work.

This plan in effect would involve an extension of the organization and authority now existing in the Central Statistical Board, which performs many of the functions outlined above.

With respect to the field in which the Works Progress Administration is immediately concerned, the creation of a Department of Welfare which would bring together the now scattered agencies dealing with welfare problems, would immediately make possible the efficient coordination of statistical and research programs in this general field. Under the present organization of the Federal Government, the problem of coordinating the work in the welfare field with other statistical and research work in the Federal Government is more difficult. In either situation, however, we believe that it can best be solved through the medium of a central coordinating unit.

Sincerely yours,

AUBREY WILLIAMS,
Deputy Administrator.

INDEX

| | Page |
|--|----------------------|
| Alexander, W. S., Administrator, Federal Alcohol Administration Division..... | 54 |
| Almond, Virgil L., legislative analyst, Bureau of the Budget..... | 1 |
| Altmeyer, A. J., Chairman, Social Security Board..... | 70 |
| Anderson, Mary, Director, Women's Bureau..... | 48 |
| Appleby, Paul H., Assistant to the Secretary of Agriculture..... | 40 |
| Bell, Frank T., Commissioner, Bureau of Fisheries..... | 43 |
| Berkshire, Stewart, Deputy Commissioner, Bureau of Internal Revenue..... | 50 |
| Black, A. G., Director of Marketing and Regulatory Work, Department of Agriculture..... | 41 |
| Blough, Roy, Director of Tax Research, Treasury Department..... | 53 |
| Burdens, unnecessary..... | 23, 31, 33, 39 |
| Bureau of Agricultural Economics..... | 28-39 |
| Bureau of the Census..... | 28, 33, 41-43 |
| Bureau of Fisheries..... | 43 |
| Bureau of Foreign and Domestic Commerce..... | 35, 44 |
| Bureau of Home Economics..... | 40 |
| Bureau of Internal Revenue..... | 26, 33, 49-51 |
| Bureau of Labor Statistics..... | 28, 46 |
| Bureau of Mines..... | 33, 45 |
| Bureau of the Mint..... | 51 |
| Bureau of Public Roads..... | 40 |
| Carter, Milton E., Acting Commissioner, Bureau of Internal Revenue..... | 49 |
| Census of Manufacturers and Electrical Industries..... | 28 |
| Census of Manufacturers..... | 32, 33 |
| Census of Unemployment..... | 28 |
| Central Statistical Board..... | 1, 21, 22, 38 |
| Children's Bureau..... | 47 |
| Clarke, Crichton, counsel to Senate Committee to Study the Problems of America's Small Business..... | 1 |
| Commissioner of Labor Statistics..... | 35, 46 |
| Commodity Credit Corporation..... | 27, 29 |
| Cost of making returns..... | 30 |
| Crowley, Leo J., Chairman, Federal Deposit Insurance Corporation..... | 56 |
| Curtiss, C. D., Acting Chief, Bureau of Public Roads..... | 40 |
| Daughters, Charles G., clerk, Senate Committee to Study Problems of America's Small Business..... | 1 |
| Department of Agriculture..... | 39-41 |
| Department of Commerce..... | 41-44 |
| Department of the Interior..... | 45, 46 |
| Department of Labor..... | 46-48 |
| Douglas, William O., Chairman, Securities Exchange Commission..... | 70 |
| Duplications of legal authority..... | 34 |
| Duplications in returns..... | 31-34, 39, 57-59, 67 |
| Dye, Alexander V., Director, Bureau of Foreign and Domestic Commerce..... | 44 |
| Eccles, M. S., Chairman, Federal Reserve Board..... | 55 |
| Education, Office of..... | 45 |
| Englund, Eric, Assistant Chief, Bureau of Agricultural Economics..... | 39 |

| | |
|---|----------------|
| Evidence, opinions, and complaints of duplications, burdens, and excessive costs to the Government and to the public in the furnishing of reports and information to governmental agencies; and recommendations and endorsements that the elimination of these duplications and burdens requires "a statutory mandate which will vest responsibility in a * * * coordinating agency for the definite promotion and effectuation of such arrangements" | 35 |
| Small businessmen | 5, 19 |
| The President of the United States | 21, 37 |
| Finding of the Central Statistical Board | 23, 24 |
| Department of Agriculture | 39-41 |
| Bureau of the Census | 43 |
| Department of Commerce | 44 |
| Department of the Interior | 45, 46 |
| Department of Labor | 46-48 |
| Treasury Department | 49-54 |
| Federal Reserve System | 55 |
| Federal Deposit Insurance Corporation | 56-61 |
| Federal Home Loan Bank Board | 61 |
| Federal Housing Administration | 62 |
| Federal Power Commission | 63 |
| Federal Trade Commission | 64-68 |
| Interstate Commerce Commission | 69 |
| Securities Exchange Commission | 69 |
| Social Security Board | 70, 71 |
| United States Maritime Commission | 72 |
| United States Tariff Commission | 73 |
| Works Progress Administration | 74 |
| Fahey, John H., Chairman, Federal Home Loan Bank Board | 61 |
| Federal Alcohol Administrative Division | 54 |
| Federal Communications Commission | 27, 33 |
| Federal Deposit Insurance Corporation | 56-61 |
| Federal Home Loan Bank Board | 61 |
| Federal Housing Administration | 27-62 |
| Federal Power Commission | 27, 33, 63 |
| Federal Reports Act of 1941, proposed | 3, 4 |
| Federal Reserve System, Board of Governors | 55 |
| Federal Trade Commission | 64-68 |
| Ferguson, Garland S., Chairman, Federal Trade Commission | 65 |
| Field, R. S., Director, Bureau of Marine Inspection and Navigation | 44 |
| Finch, John W., Director, Bureau of Mines | 45 |
| Forest Service | 40 |
| Haas, George C., Director, Research and Statistics, Treasury Department | 53 |
| Hedges, J. H., Acting Director, Bureau of Mines | 45 |
| Immigration and Naturalization, Bureau of | 27 |
| Interstate Commerce Commission | 27, 33, 69 |
| Kemp, Edward G., General Counsel, Bureau of the Budget | 1 |
| Kirk, John R., Deputy Commissioner, Bureau of Internal Revenue | 51 |
| Kitchen, C. W., Associate Chief, Bureau of Agriculture Economics | 39 |
| Lack of centralized authority | 34 |
| Lenroot, Katharine F., Chief, Children's Bureau | 47 |
| Lubin, Isadore, Commissioner of Labor Statistics | 46 |
| McDonald, Stewart, Administrator, Federal Housing Administration | 62 |
| McIntyre, M. H., Secretary to the President | 1, 37 |
| Marine Inspection and Navigation, Bureau of | 27, 44 |
| Market News Service | 28 |
| Murray, Senator James E. | 1 |
| National Bituminous Coal Commission | 27, 45 |
| Parran, Thomas, Surgeon General, United States Public Health Service | 54 |
| Pearson, W. Frank, United States Employment Service | 47 |
| Public Utility Holding Company Act of 1935 | 33 |
| Public Works Administration | 27 |
| Pure Food and Drug Act | 27 |
| Reed, Vergil D., Acting Director Bureau of the Census | 41-43 |
| Reports, number filed with Government | 22, 23, 27, 29 |
| Rice, Stuart A., Assistant Director, Charge of Statistical Standards, Bureau of the Budget | 1, 21 |
| Roosevelt, Franklin D., President | 21 |

| | Page |
|--|---------------------|
| Ross, Nellie Tayloe, Director of the Mint | 51 |
| Ryder, Oscar, Acting Chairman, United States Tariff Commission | 73 |
| Schoeneman, George J., Deputy Commissioner, Bureau of Internal Revenue | 50 |
| Seavey, Clyde L., Acting Chairman, Federal Power Commission | 63 |
| Security and Exchange Commission | 27, 33, 69 |
| Silcox, F. A., Chief, Forest Service | 40 |
| Small business complaints | 5-19 |
| Alabama | 11, 15 |
| Arizona | 15, 19 |
| Arkansas | 11, 19 |
| California | 6, 8, 9, 15 |
| Colorado | 13, 14 |
| Florida | 10, 11 |
| Georgia | 5, 8, 11 |
| Idaho | 11 |
| Illinois | 7, 14, 18 |
| Indiana | 17 |
| Iowa | 5, 9, 11, 17 |
| Kansas | 12 |
| Kentucky | 5, 19 |
| Louisiana | 12, 17 |
| Maryland | 6, 12 |
| Massachusetts | 5, 7-9, 13 |
| Michigan | 15 |
| Minnesota | 9, 12, 16, 18 |
| Mississippi | 13, 15, 19 |
| Missouri | 9, 13, 16 |
| Montana | 8, 14 |
| New Hampshire | 6 |
| New Jersey | 10 |
| New York | 5, 7, 13, 14, 16-19 |
| North Carolina | 6, 9 |
| Ohio | 6-8, 10, 13-19 |
| Oklahoma | 10, 16-18 |
| Pennsylvania | 7, 8, 13, 14 |
| South Carolina | 10 |
| Texas | 7, 11, 12, 15, 17 |
| Virginia | 6 |
| Washington | 19 |
| West Virginia | 12 |
| Wisconsin | 7, 13 |
| Wyoming | 9 |
| Smith, Harold D., Director of the Budget | 1 |
| Social Security Board | 70-72 |
| Splawn, W. N. W., Chairman, Interstate Commerce Commission | 69 |
| Stanley, Louise, Chief, Bureau of Home Economics | 40 |
| Statistical Work, United States Government, House Document No. 394, page 21, 1922 | 43 |
| Statutory mandate needed | 35 |
| Stead, W. H., United States Employment Service | 48 |
| Straus, Nathan, Administrator, United States Housing Authority | 46 |
| Studebaker, J. W., Commissioner of Education | 45 |
| Tetlow, Percy, Chairman, National Bituminous Coal Commission | 45 |
| Treasury Department | 49-54 |
| United States Employment Service | 27, 28, 47 |
| United States Housing Authority | 46 |
| United States Maritime Commission | 72 |
| United States Public Health Service | 54 |
| United States Tariff Commission | 73 |
| Veterans' Administration | 27 |
| Wallace, Henry A., Vice President | 41 |
| White, Mr., Treasury Department | 52 |
| Williams, Aubrey, Deputy Administrator, Work Projects Administration | 74 |
| Women's Bureau | 48 |
| Wood, Henry G., United States Senate Legislative Counsel | 1 |
| Woodward, Thomas M., vice chairman, United States Maritime Com- mission | 73 |
| Works Progress Administration | 74 |

77TH CONGRESS
1ST SESSION

H. R. 5180

IN THE HOUSE OF REPRESENTATIVES

JUNE 26, 1941

Mr. HARRINGTON introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Reports Act of
4 1941".

5 SEC. 2. It is hereby declared to be the policy of the
6 Congress that information which may be needed by the
7 various Federal agencies should be obtained with a minimum
8 burden upon business enterprises (especially small business
9 enterprises) and other persons required to furnish such infor-

1 mation, and at a minimum cost to the Government, and that
2 all unnecessary duplication of effort in obtaining such infor-
3 mation through the use of reports, questionnaires, and other
4 such methods should be eliminated as rapidly as practicable.

5 SEC. 3. (a) With a view to carrying out the policy of
6 this Act, the Director of the Bureau of the Budget (here-
7 inafter referred to as the "Director") is directed from time
8 to time (1) to investigate the needs of the various Federal
9 agencies for reports and information from the public, from
10 business enterprises, and from other Federal agencies; (2)
11 to investigate the methods used by such agencies in obtaining
12 such reports and information; and (3) to coordinate as
13 rapidly as possible the reporting services of all such agencies
14 with a view to reducing the cost to the Government of
15 obtaining such reports and information and minimizing the
16 burden upon the public and business enterprises.

17 (b) If, after any such investigation, the Director is of
18 the opinion that the needs of two or more Federal agencies
19 for reports and information from the public and business
20 enterprises will be adequately served by a single collecting
21 agency, he shall fix a time and place for a hearing at which
22 the agencies concerned and any interested person shall have
23 an opportunity to present their views. After such hearing,
24 the Director may issue an order designating a collecting
25 agency to obtain such reports and other information for

1 any two or more of the agencies concerned, and prescribing
2 the duties and functions of the collecting agency so design-
3 nated and the Federal agencies for which it is to act as
4 agent. Any such order may be modified from time to time
5 by the Director as circumstances may require, but no such
6 modification shall be made except after investigation and
7 hearing as hereinbefore provided.

8 (c) While any such order or modified order is in effect,
9 no Federal agency covered by such order shall obtain for
10 itself any report or other information which it is the duty
11 of the collecting agency designated by such order to obtain.

12 SEC. 4. (a) For the purposes of this Act, the Director
13 is authorized to require any Federal agency to make avail-
14 able to any other Federal agency any information which it
15 has obtained from any person after the date of enactment of
16 this Act, and all such agencies are directed to cooperate to the
17 fullest practicable extent at all times in making such
18 information available to other such agencies.

19 (b) Nothing in this Act shall be construed to require
20 any Federal agency to release any information which it has
21 obtained in confidence from any person unless, in the opinion
22 of the Director, the legitimate interests of such person will
23 be adequately protected upon such release. In the event
24 that any such confidential information is released by any
25 Federal agency to another such agency, all the provisions

1 of law (including penalties) which relate to the unlawful
2 disclosure of any such information shall apply to the officers
3 and employees of the agency to which such information is
4 released to the same extent and in the same manner as such
5 provisions apply to the officers and employees of the agency
6 which originally obtained such information.

7 (c) No information received by any Federal agency
8 solely for the purpose of providing statistical totals or sum-
9 maries shall be released to or used by any other Federal
10 agency except for statistical purposes, and no information
11 so released shall be used by any Federal agency in violation
12 of personal privilege or legal right.

13 SEC. 5. The Director is authorized to make such rules
14 and regulations as may be necessary to carry out the pro-
15 visions of this Act.

16 SEC. 6. As used in this Act—

17 (1) The term “Federal agency” means any executive
18 department, commission, independent establishment, corpora-
19 tion owned or controlled by the United States, board, bureau,
20 division, service, office, authority, or administration in the
21 executive branch of the Government; but such term shall
22 not include the governments of the District of Columbia and
23 of the Territories and possessions of the United States, and
24 the various subdivisions of such governments.

25 (2) The term “person” means any individual, partner-

1 ship, association, corporation, business trust, or legal repre-
2 sentative, any organized group of persons, any State govern-
3 ment or branch thereof, or any political subdivision of any
4 State or any branch of any such political subdivision.

5 SEC. 7. There are hereby authorized to be appropriated
6 annually, out of any money in the Treasury not otherwise
7 appropriated, such sums as may be necessary to carry out
8 the provisions of this Act.

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

By Mr. HARRINGTON

JUNE 26, 1941

Referred to the Committee on Expenditures in the
Executive Departments

77TH CONGRESS
1ST SESSION

S. 1666

IN THE SENATE OF THE UNITED STATES

JUNE 26, 1941

Mr. MEAD (for Mr. MURRAY), from the Special Committee to Study Problems of Small Business, reported the following bill; which was read twice and referred to the Committee on Education and Labor

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Reports Act of
4 1941".

5 SEC. 2. It is hereby declared to be the policy of the
6 Congress that information which may be needed by the
7 various Federal agencies should be obtained with a minimum
8 burden upon business enterprises (especially small business
9 enterprises) and other persons required to furnish such infor-

1 mation, and at a minimum cost to the Government, and that
2 all unnecessary duplication of effort in obtaining such infor-
3 mation through the use of reports, questionnaires, and other
4 such methods should be eliminated as rapidly as practicable.

5 SEC. 3. (a) With a view to carrying out the policy of
6 this Act, the Director of the Bureau of the Budget (here-
7 inafter referred to as the "Director") is directed from time
8 to time (1) to investigate the needs of the various Federal
9 agencies for reports and information from the public, from
10 business enterprises, and from other Federal agencies; (2)
11 to investigate the methods used by such agencies in obtaining
12 such reports and information; and (3) to coordinate as
13 rapidly as possible the reporting services of all such agencies
14 with a view to reducing the cost to the Government of
15 obtaining such reports and information and minimizing the
16 burden upon the public and business enterprises.

17 (b) If, after any such investigation, the Director is of
18 the opinion that the needs of two or more Federal agencies
19 for reports and information from the public and business
20 enterprises will be adequately served by a single collecting
21 agency, he shall fix a time and place for a hearing at which
22 the agencies concerned and any interested persons shall have
23 an opportunity to present their views. After such hearing,
24 the Director may issue an order designating a collecting
25 agency to obtain such reports and other information for

1 any two or more of the agencies concerned, and prescribing
2 the duties and functions of the collecting agency so design-
3 nated and the Federal agencies for which it is to act as
4 agent. Any such order may be modified from time to time
5 by the Director as circumstances may require, but no such
6 modification shall be made except after investigation and
7 hearing as hereinbefore provided.

8 (c) While any such order or modified order is in effect,
9 no Federal agency covered by such order shall obtain for
10 itself any report or other information which it is the duty
11 of the collecting agency designated by such order to obtain. *no d*

12 SEC. 4. (a) For the purposes of this Act, the Director
13 is authorized to require any Federal agency to make avail-
14 able to any other Federal agency any information which it
15 has obtained from any person after the date of enactment of
16 this Act, and all such agencies are directed to cooperate to
17 the fullest practicable extent at all times in making such
18 information available to other such agencies.

19 (b) Nothing in this Act shall be construed to require
20 any Federal agency to release any information which it has
21 obtained in confidence from any person unless, in the opinion
22 of the Director, the legitimate interests of such person will
23 be adequately protected upon such release. In the event
24 that any such confidential information is released by any
25 Federal agency to another such agency, all the provisions

1 of law (including penalties) which relate to the unlawful
2 disclosure of any such information shall apply to the officers
3 and employees of the agency to which such information is
4 released to the same extent and in the same manner as such
5 provisions apply to the officers and employees of the agency
6 which originally obtained such information.

7 (c) No information received by any Federal agency
8 solely for the purpose of providing statistical totals or sum-
9 maries shall be released to or used by any other Federal
10 agency except for statistical purposes, and no information
11 so released shall be used by any Federal agency in violation
12 of personal privilege or legal right.

13 SEC. 5. The Director is authorized to make such rules
14 and regulations as may be necessary to carry out the pro-
15 visions of this Act.

16 SEC. 6. As used in this Act—

17 (1) The term “Federal agency” means any executive
18 department, commission, independent establishment, corpora-
19 tion owned or controlled by the United States, board, bureau,
20 division, service, office, authority, or administration in the
21 executive branch of the Government; but such term shall
22 not include the governments of the District of Columbia and
23 of the Territories and possessions of the United States, and
24 the various subdivisions of such governments.

25 (2) The term “person” means any individual, partner-

1 ship, association, corporation, business trust, or legal repre-
2 sentative, any organized group of persons, any State govern-
3 ment or branch thereof, or any political subdivision of any
4 State or any branch of any such political subdivision.

5 SEC. 7. There are hereby authorized to be appropriated
6 annually, out of any money in the Treasury not otherwise
7 appropriated, such sums as may be necessary to carry out
8 the provisions of this Act.

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

By Mr. MURRAY

JUNE 26, 1941

Read twice and referred to the Committee on
Education and Labor

FEDERAL REPORTS ACT OF 1942

OCTOBER 20 (legislative day, OCTOBER 15), 1942.—Ordered to be printed

Mr. THOMAS of Utah (for Mr. MURRAY), from the Committee on Education and Labor, submitted the following

REPORT

[To accompany S. 1666]

The Committee on Education and Labor, to whom was referred the bill S. 1666, a bill recommended by the Special Senate Committee To Study Problems of American Small Business, to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services and to minimize the burdens of furnishing such reports to governmental agencies upon business enterprises, and especially small business enterprises, having considered the same, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

PURPOSES OF THE BILL

This bill declares the policy of the Congress to be that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government; that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should, insofar as is expedient, be tabulated in a manner to maximize the usefulness to other Federal agencies and the public.

ANALYSIS OF THE BILL

This bill proposes to direct the Director of the Bureau of the Budget, from time to time, to investigate the needs of the various Federal agencies for information from business enterprises, from other persons and from other Federal agencies; to investigate the methods used by such agencies in obtaining such information; and to coordinate, as rapidly as possible, the information-collecting services of all such

agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons.

If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises or other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned, or any other interested persons, shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned. He may prescribe, with reference to the collection of such information, the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent.

While any such order, or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

For the purpose of the act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this bill, with exceptions hereafter noted in the case of the Treasury Department.

All officers and employees of any Federal agency to which information may be released, under the provision of this bill, are subject to the same provisions of law, including penalties, relating to the unlawful disclosure as they apply to the collecting agency that releases the information.

No Federal agency shall conduct or sponsor the collection of information upon identical items from 10 or more persons other than Federal employees, unless it shall have submitted to the Director of the Bureau of the Budget such plans or forms and other related materials as the Director shall specify, and the Director shall have stated that he does not disapprove proposed collection of the information.

Under the provisions of the bill, any one of four specific conditions is required for the release of information by one Federal agency to any other Federal agency, to wit, such information may be released only if (1) the information shall be released in the form of statistical totals or summary; or (2) the information, as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency, or by any superior authority, to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another agency shall release the information has authority to collect the information itself and such authority is supported by legal provisions for criminal penalties against persons failing to supply such information.

The Director of the Bureau of the Budget is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act. He is further authorized, within his discretion, upon the request of any party having a substantial interest, or upon his own motion to make a determination as to whether or not the collection of

any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, he may give to such agency, and to other interested persons, an adequate opportunity to be heard or to submit statements in writing. If the Director determines that the collection of such information by such agency is unnecessary, whether because it is not needed for the proper performance of the functions of such agency, or because it can be obtained from another Federal agency, or for any other reason, such agency shall not thereafter engage in the collection of such information.

This bill also authorizes the annual appropriation of such sums as may be necessary to carry out the provisions of this act.

REASONS FOR APPROVAL OF THE BILL

This bill was recommended by the Senate Special Committee To Study Problems of American Small Business on June 26, 1941, and accompanied by this committee's report 479, part 1, Seventy-seventh Congress, first session. This report sets forth a substantial number of typical complaints received from thousands of businesses, large and small, against the tremendous burdens placed upon them by the multiplicity and duplication of demands of Federal agencies for information regarding the operation of their businesses.

The Senate Special Committee To Study Problems of American Small Business conducted an extensive investigation and held numerous conferences with the heads of Federal agencies, including the Director and members of the staff of the Bureau of the Budget, in connection with the problem.

The committee's report 479, part 1, sets forth the fact that the President, on January 10, 1939, transmitted to the Congress a report of the Central Statistical Board (now the Division of Statistical Standards in the Bureau of the Budget, as provided by Executive Order 8248). This report has been summarized in report 479, part 1.

The report of the Central Statistical Board covers its survey made at the request of the President in a letter of May 16, 1938, in which the President stated—

I am concerned over the large number of statistical reports which Federal agencies are requiring from business and industry. In view of comments that have come into this office, I desire to know the extent of such reports and how far there is duplication among them. Accordingly, I am requesting the Central Statistical Board, under the authority of section I of the act creating the Board, to report to me on the statistical work of the Federal agencies, with recommendations looking forward to consolidations and changes which are consistent with efficiency and economy, both to the Government and to private industry (p. 21, rept. 479, pt. 1).

The summary of the Central Statistical Board report, as provided in report 479, part 1, indicates clearly that (1) the officials of practically all administrative agencies of the Federal Government recognize the tremendous increase and duplication of statistical reports required from business and industry; (2) that they are opposed to a central statistical agency for the collection of all information and reports; but that (3) they are sympathetic to, and many recommend, a coordinating agency such as the Division of Statistical Standards in the Bureau of the Budget, with sufficient authority placed in the Director of the Bureau of the Budget to require the releasing of information by one Federal agency to another and to reduce the demands for information made by the Government upon business enterprises.

Subsequent to the referring of this bill to the Senate Committee on Education and Labor, on June 26, 1941, the national defense and war emergency introduced new factors in connection with this bill. New defense and war agencies were created which, in turn, required information from business enterprises.

On June 23, 1942, this committee met and, upon discussion of S. 1666, recommended that the chairman appoint a subcommittee to make a further study with reference to the application of the bill to the present wartime conditions and to obtain further up-to-date wartime information.

This subcommittee, under the chairmanship of Mr. Murray, subsequently held a conference in the committee rooms, at which were present authorized representatives from the major Federal agencies having an interest in this problem. Among those present were representatives from the Bureau of the Budget, the Treasury Department, the Securities and Exchange Commission, the Social Security Board, the Department of Commerce, the Department of Labor, the War Department, the Navy Department, the War Production Board, and the Office of Price Administration. A general agreement was reached that the purposes of the bill were good and it should be enacted by the Congress. By direction of the chairman, Mr. Murray, all representatives present were requested to file with him within 30 days a letter, if they so desired, setting forth their objections or views regarding amendments or changes in the bill. Only two departments responded with such a letter, namely, the Bureau of the Budget and the Treasury Department. Each letter included suggested amendments to the bill.

Considerably more than the allotted period of 30 days having passed, the chairman of the subcommittee invited representatives from the Bureau of the Budget, the Treasury Department, and the Department of Justice together for a discussion of any differences that might remain. As a result of that meeting certain further changes have been incorporated in the bill.

EXEMPTION OF THE TREASURY DEPARTMENT

The committee has approved a proviso in the bill to the effect that the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that Department by law.

This was done, not only in response to the urgent request of the Secretary of the Treasury and in the committee's recognition of the validity of his supporting data, but also for other reasons.

It has been the traditional policy of the Treasury Department and of the Congress to maintain the highest standard of confidential treatment of information obtained by the Treasury Department, and the agencies under its jurisdiction, from business enterprises and from the public, especially as this information pertains to the collection of taxes, to the public finances, and the national banking system. The committee believes that this condition should not be changed and that the confidence of the people should not be disturbed as the result of any misconceptions of the purpose of this bill. This traditional

policy has resulted in adequate protection to persons and to private business interests and has facilitated the work of the Treasury Department, particularly in the collection of taxes.

A further reason for the exemption of the Treasury Department is that, of the thousands of complaints received from businessmen in connection with forms which they have to submit to the Federal Government, few, if any, are directed at the Treasury Department or its agencies. In this regard, the committee believes that the present practice, with respect to the preparation of Federal tax forms, should not be changed and that these forms should be restricted to information relating only to Federal taxes.

Notwithstanding the fact that the conditions in the bill under which information may be released from one Federal agency to another, in the opinion of the committee, sufficiently protect and safeguard confidential reports and investigations, the committee believe that it is wise to exempt the Treasury Department, in the manner provided in the bill, in order not to disturb public confidence in any way in the handling of income-tax returns.





S. 1666

[Report No. 1651]

IN THE SENATE OF THE UNITED STATES

JUNE 26, 1941

Mr. MEAD (for Mr. MURRAY), from the Special Committee to Study Problems of Small Business, reported the following bill; which was read twice and referred to the Committee on Education and Labor

OCTOBER 20 (legislative day, OCTOBER 15), 1942

Reported by Mr. THOMAS of Utah (for Mr. MURRAY), with amendments

[Omit the part struck through and insert the part printed in italics]

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Reports Act of
4 ~~1941~~ 1942".

5 SEC. 2. It is hereby declared to be the policy of the
6 Congress that information which may be needed by the
7 various Federal agencies should be obtained with a minimum
8 burden upon business enterprises (especially small business
9 enterprises) and other persons required to furnish such in-

1 formation, and at a minimum cost to the Government, ~~and~~
2 that all unnecessary duplication of efforts in obtaining such
3 information through the use of reports, questionnaires, and
4 other such methods should be eliminated as rapidly as prac-
5 ticable; *and that information collected and tabulated by any*
6 *Federal agency should insofar as is expedient be tabulated in*
7 *a manner to maximize the usefulness of the information to*
8 *other Federal agencies and the public.*

9 SEC. 3. (a) With a view to carrying out the policy
10 of this Act, the Director of the Bureau of the Budget (here-
11 inafter referred to as the "Director") is directed from time
12 to time (1) to investigate the needs of the various Federal
13 agencies for ~~reports and information from the public~~, from
14 business enterprises, *from other persons*, and from other
15 Federal agencies; (2) to investigate the methods used by
16 such agencies in obtaining such ~~reports and~~ information;
17 and (3) to coordinate as rapidly as possible the ~~reporting~~
18 *information-collecting* services of all such agencies with a
19 view to reducing the cost to the Government of obtaining
20 such ~~reports and~~ information and minimizing the burden
21 upon the ~~public and~~ business enterprises *and other persons*.

22 (b) If, after any such investigation, the Director is of
23 the opinion that the needs of two or more Federal agencies
24 for ~~reports and~~ information from the ~~public and~~ business
25 enterprises *and other persons* will be adequately served by

1 a single collecting agency, he shall fix a time and place for
2 a hearing at which the agencies concerned and any *other*
3 interested persons shall have an opportunity to present their
4 views. After such hearing, the Director may issue an order
5 designating a collecting agency to obtain such ~~reports and~~
6 ~~other~~ information for any two or more of the agencies con-
7 cerned, and prescribing (*with reference to the collection of*
8 *such information*) the duties and functions of the collecting
9 agency so designated and the Federal agencies for which it
10 is to act as agent. Any such order may be modified from
11 time to time by the Director as circumstances may require,
12 but no such modification shall be made except after investi-
13 gation and hearing as hereinbefore provided.

14 (c) While any such order or modified order is in effect,
15 no Federal agency covered by such order shall obtain for
16 itself any ~~report or other~~ information which it is the duty of
17 the collecting agency designated by such order to obtain.

18 (d) *Upon the request of any party having a substantial*
19 *interest, or upon his own motion, the Director is authorized*
20 *within his discretion to make a determination as to whether*
21 *or not the collection of any information by any Federal*
22 *agency is necessary for the proper performance of the func-*
23 *tions of such agency or for any other proper purpose. Before*
24 *making any such determination, the Director may, within his*
25 *discretion, give to such agency and to other interested persons*

1 an adequate opportunity to be heard or to submit statements
2 in writing. To the extent, if any, that the Director determines
3 the collection of such information by such agency is unneces-
4 sary, either because it is not needed for the proper perform-
5 ance of the functions of such agency or because it can be
6 obtained from another Federal agency or for any other
7 reason, such agency shall not thereafter engage in the collec-
8 tion of such information.

9 ~~SEC. 4. (a)~~ (e) For the purposes of this Act, the
10 Director is authorized to require any Federal agency to make
11 available to any other Federal agency any information which
12 it has obtained from any person after the date of enactment
13 of this Act, and all such agencies are directed to cooperate
14 to the fullest practicable extent at all times in making such
15 information available to other such agencies: *Provided, how-*
16 *ever, That the provisions of this Act shall apply to the Treas-*
17 *ury Department only to the extent that the Secretary of the*
18 *Treasury may determine that compliance therewith will not*
19 *interfere with the proper administration of the functions and*
20 *duties imposed upon that Department by law.*

21 ~~(b)~~ SEC. 4. (a) Nothing in this Act shall be construed
22 to require any Federal agency to release any information
23 which it has obtained in confidence from any person unless,
24 in the opinion of the Director, the legitimate interests of such
25 person will be adequately protected upon such release. In

1 the event that any ~~such confidential~~ information obtained in
2 confidence by a Federal agency is released by any Federal
3 ~~agency that agency~~ to another ~~such~~ Federal agency, all the
4 provisions of law (including penalties) which relate to the
5 unlawful disclosure of any such information shall apply to the
6 officers and employees of the agency to which such informa-
7 tion is released to the same extent and in the same manner
8 as such provisions apply to the officers and employees of the
9 agency which originally obtained such information; and the
10 officers and employees of the agency to which the information
11 is released shall in addition be subject to the same provisions
12 of law (including penalties) relating to the unlawful dis-
13 closure of such information as if the information had been
14 collected directly by such agency.

15 ~~(e) No information received by any Federal agency~~
16 ~~solely for the purpose of providing statistical totals or sum-~~
17 ~~maries shall be released to or used by any other Federal~~
18 ~~agency except for statistical purposes, and no information so~~
19 ~~released shall be used by any Federal agency in violation of~~
20 ~~personal privilege or legal right,~~

21 (b) Information obtained by a Federal agency from any
22 person or persons may pursuant to this Act, be released to
23 any other Federal agency only if (1) the information shall
24 be released in the form of statistical totals or summaries; or
25 (2) the information as supplied by persons to a Federal

1 agency shall not, at the time of collection, have been declared
2 by that agency or by any superior authority to be confidential;
3 or (3) the persons supplying the information shall consent to
4 the release of it to a second agency by the agency to which
5 the information was originally supplied; or (4) the Federal
6 agency to which another Federal agency shall release the
7 information has authority to collect the information itself
8 and such authority is supported by legal provision for criminal
9 penalties against persons failing to supply such
10 information.

11 SEC. 5. No Federal agency shall conduct or sponsor the
12 collection of information, upon identical items, from ten or
13 more persons (other than Federal employees considered as
14 such) unless, in advance of adoption or revision of any plans
15 or forms to be used in such collection,

16 (a) The agency shall have submitted to the Director such
17 plans or forms, together with copies of such pertinent regulations
18 and other related materials as the Director shall specify;
19 and

20 (b) The Director shall have stated that he does not
21 disapprove the proposed collection of information.

22 SEC. 5 6. The Director is authorized to make such rules
23 and regulations as may be necessary to carry out the provisions
24 of this Act.

25 SEC. 6 7. As used in this Act—

1 ~~(1)~~ (a) The term "Federal agency" means any execu-
 2 tive department, commission, independent establishment, cor-
 3 poration owned or controlled by the United States, board,
 4 bureau, division, service, office, authority, or administration
 5 in the executive branch of the Government; but such terms
 6 shall not include the governments of the District of Columbia
 7 and of the Territories and possessions of the United States,
 8 and the various subdivisions of such governments.

9 ~~(2)~~ (b) The term "person" means any individual, part-
 10 nership, association, corporation, business trust, or legal repre-
 11 sentative, any organized group of persons, any State or
 12 Territorial government or branch thereof, or any political
 13 subdivision of any State or Territory or any branch of any
 14 such political subdivision.

15 ~~(3)~~ (c) The term "information" means facts obtained or
 16 solicited by the use of written report forms, application
 17 forms, schedules, questionnaires, or other similar methods call-
 18 ing either (1) for answers to identical questions from ten or
 19 more persons other than agencies, instrumentalities, or
 20 employees of the United States or (2) for answers to ques-
 21 tions from agencies, instrumentalities, or employees of the
 22 United States which are to be used for statistical compilations
 23 of general public interest.

24 SEC. 7 8. There are hereby authorized to be appropri-
 25 ated annually, out of any money in the Treasury not other-

- 1 wise appropriated, such sums as may be necessary to carry
- 2 out the provisions of this Act.

Amend the title so as to read: "A bill to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies."

Calendar No. 1705

77TH CONGRESS
2^D Session

S. 1666

[Report No. 1651]

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

By Mr. MURRAY

JUNE 26, 1941

Read twice and referred to the Committee on
Education and Labor

OCTOBER 20 (legislative day, OCTOBER 15), 1942

Reported with amendments



77TH CONGRESS
2D SESSION

H. R. 7756

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 2, 1942

Mr. PATMAN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Reports Act of
4 1942".

5 SEC. 2. It is hereby declared to be the policy of the
6 Congress that information which may be needed by the
7 various Federal agencies should be obtained with a minimum
8 burden upon business enterprises (especially small business
9 enterprises) and other persons required to furnish such
10 information, and at a minimum cost to the Government,

1 that all unnecessary duplication of efforts in obtaining such
2 information through the use of reports, questionnaires, and
3 other such methods should be eliminated as rapidly as prac-
4 ticable; and that information collected and tabulated by any
5 Federal agency should insofar as is expedient be tabulated in
6 a manner to maximize the usefulness of the information to
7 other Federal agencies and the public.

8 SEC. 3. (a) With a view to carrying out the policy of
9 this Act, the Director of the Bureau of the Budget (here-
10 inafter referred to as the "Director") is directed from time
11 to time (1) to investigate the needs of the various Federal
12 agencies for information from business enterprises, from other
13 persons, and from other Federal agencies; (2) to investigate
14 the methods used by such agencies in obtaining such infor-
15 mation; and (3) to coordinate as rapidly as possible the
16 information-collecting services of all such agencies with a
17 view to reducing the cost to the Government of obtaining
18 such information and minimizing the burden upon business
19 enterprises and other persons.

20 (b) If, after any such investigation, the Director is of
21 the opinion that the needs of two or more Federal agencies
22 for information from business enterprises and other persons
23 will be adequately served by a single collecting agency, he
24 shall fix a time and place for a hearing at which the agencies
25 concerned and any other interested persons shall have an

1 opportunity to present their views. After such hearing, the
2 Director may issue an order designating a collecting agency
3 to obtain such information for any two or more of the agencies
4 concerned, and prescribing (with reference to the collection
5 of such information) the duties and functions of the collecting
6 agency so designated and the Federal agencies for which it
7 is to act as agent. Any such order may be modified from
8 time to time by the Director as circumstances may require,
9 but no such modification shall be made except after investi-
10 gation and hearing as hereinbefore provided.

11 (c) While any such order or modified order is in effect,
12 no Federal agency covered by such order shall obtain for
13 itself any information which it is the duty of the collecting
14 agency designated by such order to obtain.

15 (d) Upon the request of any party having a substantial
16 interest, or upon his own motion, the Director is authorized
17 within his discretion to make a determination as to whether
18 or not the collection of any information by any Federal
19 agency is necessary for the proper performance of the func-
20 tions of such agency or for any other proper purpose. Before
21 making any such determination, the Director may, within his
22 discretion, give to such agency and to other interested persons
23 an adequate opportunity to be heard or to submit statements
24 in writing. To the extent, if any, that the Director deter-
25 mines the collection of such information by such agency is

1 unnecessary, either because it is not needed for the proper
2 performance of the functions of such agency or because it can
3 be obtained from another Federal agency or for any other
4 reason, such agency shall not thereafter engage in the collec-
5 tion of such information.

6 (e) For the purposes of this Act, the Director is au-
7 thorized to require any Federal agency to make available
8 to any other Federal agency any information which it has
9 obtained from any person after the date of enactment of
10 this Act, and all such agencies are directed to cooperate
11 to the fullest practicable extent at all times in making such
12 information available to other such agencies: *Provided, how-*
13 *ever,* That the provisions of this Act shall apply to the
14 Treasury Department only to the extent that the Secretary
15 of the Treasury may determine that compliance therewith
16 will not interfere with the proper administration of the func-
17 tions and duties imposed upon that Department by law.

18 SEC. 4. (a) In the event that any information obtained
19 in confidence by a Federal agency is released by that agency
20 to another Federal agency, all the provisions of law (includ-
21 ing penalties) which relate to the unlawful disclosure of any
22 such information shall apply to the officers and employees
23 of the agency to which such information is released to the
24 same extent and in the same manner as such provisions apply
25 to the officers and employees of the agency which originally

1 obtained such information; and the officers and employees
2 of the agency to which the information is released shall in
3 addition be subject to the same provisions of law (including
4 penalties) relating to the unlawful disclosure of such informa-
5 tion as if the information had been collected directly by such
6 agency.

7 (b) Information obtained by a Federal agency from any
8 person or persons may pursuant to this Act, be released to
9 any other Federal agency only if (1) the information shall
10 be released in the form of statistical totals or summaries; or
11 (2) the information as supplied by persons to a Federal
12 agency shall not, at the time of collection, have been declared
13 by that agency or by any superior authority to be confi-
14 dential; or (3) the persons supplying the information shall
15 consent to the release of it to a second agency by the agency
16 to which the information was originally supplied; or (4) the
17 Federal agency to which another Federal agency shall re-
18 lease the information has authority to collect the information
19 itself and such authority is supported by legal provision for
20 criminal penalties against persons failing to supply such
21 information.

22 SEC. 5. No Federal agency shall conduct or sponsor the
23 collection of information, upon identical items, from ten or
24 more persons (other than Federal employees considered as

1 such) unless, in advance of adoption or revision of any plans
2 or forms to be used in such collection,

3 (a) The agency shall have submitted to the Director
4 such plans or forms, together with copies of such pertinent
5 regulations and other related materials as the Director shall
6 specify; and

7 (b) The Director shall have stated that he does not
8 disapprove the proposed collection of information.

9 SEC. 6. The Director is authorized to make such rules
10 and regulations as may be necessary to carry out the provi-
11 sions of this Act.

12 SEC. 7. As used in this Act—

13 (a) The term “Federal agency” means any executive
14 department, commission, independent establishment, cor-
15 poration owned or controlled by the United States, board,
16 bureau, division, service, office, authority, or administration
17 in the executive branch of the Government; but such terms
18 shall not include the governments of the District of Columbia
19 and of the Territories and possessions of the United States,
20 and the various subdivisions of such governments.

21 (b) The term “person” means any individual, partner-
22 ship, association, corporation, business trust, or legal repre-
23 sentative, any organized group of persons, any State or
24 Territorial government or branch thereof, or any political

1 subdivision of any State or Territory or any branch of any
2 such political subdivision.

3 (c) The term "information" means facts obtained or
4 solicited by the use of written report forms, application
5 forms, schedules, questionnaires, or other similar methods
6 calling either (1) for answers to identical questions from ten
7 or more persons other than agencies, instrumentalities, or
8 employees of the United States or (2) for answers to ques-
9 tions from agencies, instrumentalities, or employees of the
10 United States which are to be used for statistical compilations
11 of general public interest.

12 SEC. 8. There are hereby authorized to be appropriated
13 annually, out of any money in the Treasury not otherwise
14 appropriated, such sums as may be necessary to carry out
15 the provisions of this Act.

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

By Mr. PATMAN

NOVEMBER 2, 1942

Referred to the Committee on Expenditures in the
Executive Departments

hereinabove provided, who shall witness the same in writing. The envelope, together with the coupon, which must be filled out and signed by the postmaster, or other person as herein provided, shall be enclosed within the envelope, directed to the committee on enrollment or club secretary, which shall then and there be sealed, registered, and mailed to the committee on enrollment or club secretary.

SEC. 7. Receipt and custody of ballot from voter: Upon the receipt of the ballot from the voter, the enrollment committee or club secretary shall, on the list kept of them, write in ink "received ballot on ----- date," and shall file the coupon enclosed with the sealed ballot with the letter of application and deposit the envelope containing the ballot unopened, in a sealed box, to be provided for the purpose, and there it shall remain until the day of election.

SEC. 8. Delivery of ballots to managers: On the day of election the enrollment committee or club secretary shall deliver the box containing the sealed ballot, together with application and other accompanying coupon enclosed in the envelope, to the managers of election at his precinct, taking their receipt therefor.

SEC. 9. Counting of ballots: At the close of the balloting the box shall be opened by the managers of election and the ballot therein be counted along with the other ballots, the same being kept on a separate list, and the name of the voter entered by the clerk on the poll list.

SEC. 10. Construction—decisions of enrollment committee or club secretary as to person's vote by mail final: The provisions of this rule shall be liberally construed in favor of the absent voter, and the decisions of the enrollment committee or club secretary as to the necessity of any particular voter being allowed to vote by mail shall be final.

SEC. 11. Time effective: This act shall take effect upon its approval by the Governor.

ORDER FOR CONSIDERATION OF THE CALENDAR

Mr. BARKLEY. Mr. President, under the rules it is impossible to move to lay the pending motion aside. The only motion which can be made which will have that effect will be a motion to take up some other measure. In view of the vote which has just been recorded, and in view of the understanding I had before the vote was taken that if we could not bring about the closing of debate it would be futile to pursue the proposed legislation further during this session, I shall ask unanimous consent that the bill be laid aside and returned to the calendar and that the Senate proceed to consider measures on the calendar to which there is no objection, beginning with Calendar No. 1681, House bill 4971.

The VICE PRESIDENT. Is there objection to the request of the Senator from Kentucky?

Mr. DANAHER. Reserving the right to object, Mr. President, which I have no intention of doing, I wish to have a correction appear in the RECORD with reference to a statement made by the Senator from Mississippi [Mr. Bilbo] a few days since.

From reference to page 9268 of the RECORD it appears that the Senator from Mississippi read into the RECORD a table indicating that the colored population of Connecticut, my State, is 35 percent of the total population of the State.

It seems to me that, in view of the Census taken in 1940, the correct figure should be caused to appear in the

RECORD. The total population of the State of Connecticut is 1,675,407, and the colored population amounts to 32,997, roughly 1.9 percent.

The PRESIDING OFFICER (Mr. LUCAS in the chair). Is there objection to the request made by the Senator from Kentucky [Mr. BARKLEY] that the Senate proceed to consider measures on the calendar to which there is no objection, starting with Calendar No. 1681? The Chair hears none, and it is so ordered.

RESOLUTION OF BROOKLINE (MASS.) TAXPAYERS' ASSOCIATION—NONESSENTIAL FEDERAL ACTIVITIES AND EXPENDITURES

Mr. LODGE presented a resolution adopted by the annual meeting of the Brookline Taxpayers' Association, Brookline, Mass., favoring the elimination of all nonessential activities of the Federal Government and endorsing the activities of the Joint Committee on Reduction of Nonessential Federal Expenditures in its endeavor to eliminate needless expenditures, which was referred to the Committee on Finance.

REPORT OF THE COMMITTEE ON THE JUDICIARY

The following report of the Committee on the Judiciary, was submitted:

By Mr. DANAHER:

H. R. 7151. A bill to amend the First War Powers Act, 1941, by extending the authority to censor communications to include communications between the continental United States and any Territory or possession of the United States, or between any Territory or possession, and any other Territory or possession; with amendments (Rept. No. 1705).

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. DAVIS, by unanimous consent, submitted the following resolution (S. Res. 316), which was referred to the Committee on Rules:

Whereas present conditions effectively demonstrate the need for closer supervision by the Congress over fiscal practices of the Government; and

Whereas the Committee on Expenditures in the Executive Departments, which was established on April 18, 1921, is a standing committee of the Senate; and

Whereas such committee, as its name implies, was created for the purpose of examining the accounts and expenditures of the several departments of the Government; and

Whereas the membership of such committee is not sufficiently large to enable it properly to exercise such functions: Therefore be it

Resolved, That the Committee on Expenditures in the Executive Departments shall hereafter be composed of 21 Senators.

SIMPLIFICATION AND CURTAILMENT OF GOVERNMENTAL QUESTIONNAIRES

Mr. VANDENBERG. Mr. President, I ask unanimous consent to submit a concurrent resolution on behalf of the Senator from Virginia [Mr. BYRD] and myself, and ask that it be referred to the so-called Byrd committee. I ask further that a statement which I have prepared respecting the concurrent resolution be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, the concurrent resolution will be received and referred to the Joint

Committee on Reduction of Nonessential Federal Expenditures, and the statement presented by the Senator from Michigan will be printed in the RECORD.

The concurrent resolution (S. Con. Res. 38) was referred to the Committee on Reduction of Nonessential Federal Expenditures, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Reduction of Nonessential Federal Expenditures be directed to investigate the existing methods of all departments and bureaus in respect to the manner and form of questionnaires, reports, and all other methods of inquiry to which citizens and/or corporations are required to respond in connection with all phases of the war effort; and

Resolved further, That the committee be directed to report any legislative recommendations which would either eliminate or simplify or concentrate these processes to the end that citizens and/or corporations shall be relieved of any needless irritation, labor, or expense in this connection and that the war effort shall be relieved of any needless obstacles or complications and that the Federal pay rolls shall be relieved of any needless personnel.

The statement presented by Mr. VANDENBERG in connection with the resolution is as follows:

Jointly with Senator BYRD, I shall introduce a concurrent resolution in the Senate at the first available moment which I hope may produce a great simplification in the vast amount of so-called paper work which national-defense regimentation now involves. The number and extent of intricate questionnaires and reports now required of American business in countless multiplying directions is one of the greatest burdens suffered by American business. It often hampers the war effort by diverting energies that should be more productively applied. It often involves a wealth of inquisitive detail which would seem frequently to have far less to do with the war effort than with the ultimate nationalization of the American system of free enterprise. Certainly it must involve the maintenance of tremendous Government pay rolls if any sort of ultimate attention is given to the results of these inquiries. Every possible effort should be made to reduce this process to an essential minimum. This is equally true of rationing questionnaires which our people as a whole must confront, and which will be needlessly unpopular in proportion as they are needlessly complicated or needlessly irritating. Business and citizenship want to cooperate wholeheartedly with Government in this crisis. Their cooperation should be made as simple as possible—not as difficult and perplexing as possible. A little more of faith in them and a little less of strait jacket would, in my humble opinion, produce better results. If the splendid Byrd committee were to call for a total exhibit of all the questionnaires and all the demands for reports and all the rules and regulations which have converged upon American business and upon the American people in a period of 3 months, I venture to say the result would be too appalling for even Government itself longer to tolerate. We cannot escape large and far-reaching Government controls in this hour of crisis. I am not speaking against them. I am speaking for their greater success and their greater popularity through their greater simplification.

BILL INTRODUCED

Mr. WALLGREN (for himself and Mr. BONE) introduced a bill (S. 2904) to amend the act approved May 27, 1937 (ch. 269, 50 Stat. 208), by providing substitute and additional authority for the

prevention of speculation in lands of the Columbia Basin project and substitute any additional authority related to the settlement and development of the project, and substitute any additional authority related to the settlement and development of the project, and for other purposes, which was read twice by its title and referred to the Committee on Irrigation and Reclamation.

APPOINTMENT OF SONS OF CERTAIN SOLDIERS, ETC., TO MILITARY AND NAVAL ACADEMIES

The PRESIDING OFFICER (Mr. LUCAS in the chair) laid before the Senate the amendments of the House of Representatives to the bill (S. 658) authorizing appointments to the United States Military Academy and United States Naval Academy of sons of soldiers, sailors, and marines, who were killed in action or have died of wounds or injuries received, or disease contracted in line of duty, during the World War, which were, to strike out all after the enacting clause and insert:

That the second paragraph of the act of June 8, 1926, entitled "An act to establish a department of economics, government, and history at the United States Military Academy, at West Point, N. Y., and to amend chapter 174 of the Act of Congress of April 19, 1910, entitled 'An act making appropriations for the support of the Military Academy for the fiscal year ending June 30, 1911, and for other purposes'" (44 Stat. 704), be, and the same is hereby, amended to read as follows:

"That the number of cadets now authorized by law at the United States Military Academy, and the number of midshipmen now authorized by law at the United States Naval Academy, are each hereby increased by 40 from the United States at large, to be appointed by the President from among the sons of officers, soldiers, sailors, and marines of the Army, Navy, and Marine Corps of the United States, including members of the Army Nurse Corps (female) and the Navy Nurse Corps (female) employed in the active services by the War Department or Navy Department, who were killed in action or have died, or may hereafter die, of wounds or injuries received, or disease contracted, or preexisting injury or disease aggravated, in active service during the World War (as defined by existing laws providing service-connected compensation benefits for World War veterans and their dependents): *Provided*, That the determination of the Veterans' Administration as to service connection of the cause of death shall be final and conclusive and shall be binding upon the Secretary of War and Secretary of the Navy, respectively."

Amend the title so as to read: "An act authorizing appointments to the United States Military Academy and United States Naval Academy of sons of soldiers, sailors, and marines who were killed in action or have died of wounds or injuries received, or disease contracted in active service, during the World War."

Mr. RUSSELL. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

The PRESIDING OFFICER. Without objection, a similar bill, the bill (H. R. 2794) authorizing appointments to the United States Military Academy and United States Naval Academy of sons of soldiers, sailors, and marines who were killed in action or have died of wounds or

injuries received, or disease contracted in service, during the World War, will be indefinitely postponed.

CIVILIAN WAR BENEFITS

The PRESIDING OFFICER laid before the Senate the amendments of the House of Representatives to the bill (S. 2412) to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes, which were, on page 2, line 4, to strike out "herein"; on page 3, to strike out all after line 21 over to and including "occurs" in line 22, page 4 and insert "purposes of this subsection as totally disabled, and the same benefits as are provided for such disability under this title shall be credited to his account and be payable to him for the period of such absence or until his death is in fact established or can be legally presumed to have occurred: *Provided*, That if such person has dependents residing in the United States or its Territories or possessions (including the United States Naval Operating Base, Guantanamo Bay, Cuba, the Canal Zone, and the Philippine Islands), the Commission during the period of such absence may disburse a part of such compensation, accruing for such total disability, to such dependents, which shall be equal to the monthly benefits otherwise payable for death under this title, and the balance of such compensation for total disability shall accrue and be payable to such person upon his return from such absence. Any payment made pursuant to this subsection shall not in any case be included in computing the maximum aggregate or total compensation payable for disability or death, as provided in section 102 (a): *Provided further*, That no such payment to such person or his dependent, on account of such absence, shall be made during any period such person or dependent, respectively, has received or may be entitled to receive, any other payment from the United States, either directly or indirectly, because of such absence, unless such person or dependent refunds or renounces such other benefit or payment for the period claimed.

"Benefits found to be due under this subsection shall be paid from the compensation fund established pursuant to section 35 of such Act of September 7, 1916, as amended: *Provided*, That the determination of dependents, dependency, and amounts of payments to dependents shall be made in the manner specified in such Act: *Provided further*, That claim for such detention benefits shall be filed in accordance with and subject to the limitation provisions of such Act, as modified by section 106 (c) of this Act: *And provided further*, That except in cases of fraud or willful misrepresentation, the Commission may waive recovery of money erroneously paid under this subdivision whenever it finds that such recovery would be impracticable or would cause hardship to the beneficiary affected"; on page 7, line 1, after "his" where it occurs the first time to insert "injury or death resulting from injury occurs or his"; on page 7, line 7, to strike

out "301" and insert "101"; on page 19, after line 17, to insert:

(4) under a contract entered into with the United States or any executive department, independent establishment, or agency thereof (including any corporate instrumentality of the United States), or any subcontract, or subordinate contract with respect to such contract, where such contract is to be performed outside the continental United States and at places not within the areas described in subparagraphs (1), (2), and (3) of this subdivision, for the purpose of engaging in public work, and every such contract shall contain provisions requiring that the contractor (and subcontractor or subordinate contractor with respect to such contract) (1) shall, before commencing performance of such contract, provide for securing to or on behalf of employees engaged in such public work under such contract the payment of compensation and other benefits under the provisions of this act, and (2) shall maintain in full force and effect during the term of such contract, subcontract, or subordinate contract, or while employees are engaged in work performed thereunder, the said security for the payment of such compensation and benefits, but nothing in this paragraph shall be construed to apply to any employee of such contractor or subcontractor who is engaged exclusively in furnishing materials or supplies under his contract:

On page 20, line 5, to strike out "project." and insert "project."; on page 20, after line 5, to insert:

(c) The liability of an employer, contractor (or any subcontractor or subordinate subcontractor with respect to the contract of such contractor) under this act shall be exclusive and in place of all other liability of such employer, contractor, subcontractor, or subordinate contractor to his employees (and their dependents) coming within the purview of this act, under the workmen's compensation law of any State, Territory, or other jurisdiction, irrespective of the place where the contract of hire of any such employee may have been made or entered into.

(d) As used in this section, the term "contractor" means any individual, partnership, corporation, or association, and includes any trustee, receiver, assignee, successor, or personal representative thereof, and the rights, obligations, liability, and duties of the employer under such Longshoremen's and Harbor Workers' Compensation Act shall be applicable to such contractor.

(e) The liability under this act of a contractor, subcontractor, or subordinate contractor engaged in public work under subparagraphs (3) and (4), subdivision (a) of this section, and the conditions set forth therein, shall become applicable to contracts and subcontracts heretofore entered into but not completed at the time of the approval of this act, and contracting officers of the United States are authorized to make such modifications and amendments of existing contracts as may be necessary to bring such contracts into conformity with the provisions of this act. No right shall arise in any employee or his dependent under subparagraphs (3) and (4), subdivision (a) of this section, prior to 2 months after the approval of this act. Upon the recommendation of the head of any department, or other agency of the United States, the United States Employees' Compensation Commission, in the exercise of its discretion; may waive the application of the provisions of subparagraphs (3) or (4), subdivision (a) of this section, with respect to any contract, subcontract, or subordinate contract, work location under such contracts, or classification of employees.

Mr. PEPPER. Mr. President, pursuant to advice from the War Department

toward the utilization of submarginal producers of such materials.

CAPT. RICHARD ROTHWELL

The bill (S. 2826) for the relief of Capt. Richard Rothwell, United States Marine Corps, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of \$53 to reimburse Capt. Richard Rothwell, United States Marine Corps, for the value of personal property lost or damaged as a result of the flooding of public quarters, No. 425, Marine Barracks, Quantico, Va., during the absence of Capt. Richard Rothwell, United States Marine Corps: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

TRAVEL COST OF DEPENDENTS OF MILITARY AND CIVILIAN PERSONNEL

The bill (S. 2818) to provide for payment of certain travel costs of dependents of military and civilian personnel of the Army and the War Department on a mileage basis in order to promote efficiency and economy in such payments was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That (a) in any case where, in lieu of transportation in kind, reimbursement for actual travel costs, or travel at Government expense, of dependents of military and civilian personnel of the Army and War Department is now or may hereafter be authorized by law, payment for authorized travel of such dependents shall be made after the completion of such travel (and subject to the provisions of subsections (b), (c), and (d) of this section) on a mileage basis at the following rates:

(1) Four cents a mile for each dependent 12 years of age or more;

(2) Two cents a mile for each dependent less than 12 years of age but not less than 5 years of age;

(3) Nothing for any dependent less than 5 years of age.

(b) The provisions of this act shall apply irrespective of the mode of travel, but shall apply only with respect to such part of authorized travel as takes place within the continental United States (not including Alaska).

(c) Payments shall be made under the provisions of this act for authorized travel heretofore performed by the dependents described in subsection (a) of this section for which reimbursement has not been made at the time of the enactment of this act.

(d) Reimbursement for such travel shall be computed on the basis of distances shown in the Official Mileage Tables of the War Department in effect at the time the travel is performed and if the distances cannot be obtained from the Official Mileage Tables they shall be computed over the shortest usually traveled route.

Sec. 2. The Secretary of War may prescribe any regulations necessary to carry out the provisions of this act.

EXCHANGE OF CERTAIN LANDS IN MINNESOTA

The Senate proceeded to consider the bill (H. R. 4465) to authorize the exchange of certain lands in Minnesota, which had been reported from the Committee on Public Lands and Surveys with an amendment, on page 2, line 19, after the word "surveyed", to strike out the comma and the words "unappropriated, and unreserved public lands", and insert "public lands, unappropriated, and unreserved except for Executive Order No. 6964, dated February 5, 1935, or public domain in national forests."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

RESOLUTION PASSED OVER

The resolution (S. Res. 294) requesting interval reports from the Federal Rubber Administrator concerning rubber supplies and production, was announced as next in order.

Mr. WILLIS. I ask that the resolution be passed over.

The PRESIDING OFFICER. The resolution will be passed over.

THE UNITED STATES AS PARTY IN CERTAIN CASES

The bill (H. R. 5578) to permit the United States to be made a party defendant in certain cases, was considered, ordered to a third reading, read the third time, and passed.

COORDINATION OF FEDERAL REPORTING SERVICES

The bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies, was announced as next in order.

Mr. VANDENBERG. Mr. President, I desire to make a very brief statement in connection with this bill.

Mr. BARKLEY. Mr. President, at the request of the Senator from Montana [Mr. MURRAY] I am compelled to ask that the bill go over.

Mr. VANDENBERG. Very well. I should like simply to make still more briefly the statement which I originally intended to make. The bill deals with the same general subject to which a concurrent resolution addresses itself, which was submitted today by the able Senator from Virginia [Mr. BYRD] and myself. I certainly have no objection to the passage of this bill. I think the committee has done an excellent piece of work in its preliminary discoveries and disclosures and recommendations, and for that reason I have no objection in the world to the passage of the bill when the time comes, but I do not think it remotely touches the magnitude of the problem which has been precipitated upon the country by endless paper work dictated from Washington. I am simply undertaking to point out that there is nothing in conflict between this bill and

the larger objective to which the Senator from Virginia and I are undertaking to labor.

Mr. TAFT. Mr. President, am I to understand from the majority leader that a Senator has requested that the bill go over? It seems to me that unless the bill is passed today the chances of it passing the House are rather remote.

Mr. BARKLEY. I think I am mistaken as to the identity of the bill. The measure which the Senator from Montana wanted to go over is the one affecting the right of investigating committees of the Congress to call upon Government employees to serve such committees. That is a different measure.

Mr. TAFT. That is a different measure. Does the Senator from Kentucky withdraw his objection?

Mr. BARKLEY. Yes.

Mr. TAFT. As I recall, the measure to which the majority leader makes reference is Senate Resolution 301, Calendar No. 1690.

Mr. BARKLEY. Mr. President, I renew my request, because I assured the Senator from Montana that that measure would go over, because he had either some objection or amendment he wanted to offer to it. I ask unanimous consent that the vote by which the measure was passed be reconsidered.

The PRESIDING OFFICER. Is there objection?

Mr. TAFT. I think again a mistake is made in the identity of the measure to which the Senator from Montana is objecting. As I understand it, it is Order of Business 1579, House bill 7297, authorizing the assignment of personnel from departments to certain investigating committees of the Senate. That bill has not been called today. I think it is the bill to which the Senator from Montana referred.

Mr. BARKLEY. Yes; that is the bill.

Mr. TAFT. I do not think he has any objection to Senate Resolution 301.

Mr. BARKLEY. The Senator from Ohio is correct. The bill to which reference was made is not on today's call.

The PRESIDING OFFICER. Is there objection to the present consideration of Senate bill 1666?

There being no objection, the Senate proceeded to consider the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies, which had been reported from the Committee on Education and Labor with amendments.

The first amendment was, in section 1, page 1, line 4, to strike out "1941" and insert "1942", so as to make the section read:

Be it enacted, etc., That this act may be cited as the "Federal Reports Act of 1942."

The amendment was agreed to.

The next amendment was, in section 2, page 2, line 5, after the word "practicable", to insert "and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the

usefulness of the information to other Federal agencies and the public", so as to make the section read:

SEC. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

The amendment was agreed to.

The next amendment was, in section 3, page 2, line 13, after the word "for", to strike out "reports and"; in the same line, after the word "information", to strike out "from the public."; in line 14, after the word "enterprises", to insert "from other persons"; in line 16, after the word "such", to strike out "reports and"; in line 17, after the word "the", to strike out "reporting" and to insert "information-collecting"; in line 20, after the word "such", to strike out "reports and"; in line 21, after the word "upon", to strike out "the public and", and after the word "enterprises", to insert "and other persons"; in line 24, after the word "for", to strike out "reports and", in the same line, after the word "from", to strike out "the public and"; in line 25, after the word "enterprises", to insert "and other persons"; on page 3, line 2, after the words "and any", to insert "other"; in line 5, after the word "such", to strike out "reports and other"; in line 7, after the word "prescribing", to insert "(with reference to the collection of such information)"; and after line 17, to add a new subsection, as follows:

(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

So as to make the section read:

SEC. 3. (a) With a view to carrying out the policy of this act, the Director of the Bureau of the Budget (hereinafter referred to as the "Director") is directed from time to time (1) to investigate the needs of the various Federal agencies for information, from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to

reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons.

(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

The amendments were agreed to.

The next amendment was, on page 4, line 9, to strike out "Sec. 4. (a)" and insert "(e)"; and in line 15 after the word "agencies", to insert "Provided, however, That the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that Department by law", so as to read:

(e) For the purposes of this act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: *Provided, however,* That the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that Department by law.

The amendment was agreed to.

The next amendment was, on page 4, line 21, to strike out "(b)" and insert "Sec. 4 (a)." and in the same line to strike

out "Nothing in this act shall be construed to require any Federal agency to release any information which it has obtained in confidence from any person unless, in the opinion of the Director, the legitimate interests of such person will be adequately protected upon such release."; on page 5, line 1, after the word "any", to strike out "such confidential"; in the same line after the word "information", to insert "obtained in confidence by a Federal agency"; in line 2, after the words "released by", to strike out "any Federal agency" and insert "that agency"; in line 3, after the word "another", to strike out "such" and insert "Federal"; in line 9, after the word "information", to insert "and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency."

Also, on page 5, to strike out:

(c) No information received by any Federal agency solely for the purpose of providing statistical totals or summaries shall be released to or used by any other Federal agency except for statistical purposes, and no information so released shall be used by any Federal agency in violation of personal privilege or legal right.

And, also, on page 5, after line 20, to insert:

(b) Information obtained by a Federal agency from any person or persons may pursuant to this act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

So as to read:

SEC. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

(b) Information obtained by a Federal agency from any person or persons may, pursuant to this act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior

authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

The amendment was agreed to.

The next amendment was, on page 6, after line 10, to insert a new section 5 as follows:

SEC. 5. No Federal agency shall conduct or sponsor the collection of information, upon identical items, from 10 or more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection,

(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

(b) The Director shall have stated that he does not disapprove the proposed collection of information.

The amendment was agreed to.

The next amendment was, on page 6, line 22, to change the number of the section from 5 to 6.

The amendment was agreed to.

The next amendment was, on page 6, line 27, to change the number of the section from 6 to 7; on page 7, line 11, after the word "State", to insert "or territorial"; in line 13, after the word "State", to insert "or Territory"; after line 14, to insert the following new subsection:

(c) The term "information" means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from 10 or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

So as to make the section read:

SEC. 7. As used in this act—

(a) The term "Federal agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

(b) The term "person" means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

(c) The term "information" means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from 10 or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are

to be used for statistical compilations of general public interest.

The amendment was agreed to.

The next amendment was, on page 7, line 24, to change the number of the section from 7 to 8.

The amendment was agreed to.

Mr. LA FOLLETTE. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wisconsin will be stated.

The CHIEF CLERK. On page 2, line 15, after the word "information", it is proposed to strike out the word "and" and insert in lieu thereof a comma; and at the end of line 21 it is proposed to insert "and utilizing, as far as practicable, the continuing organization, files of information, and existing facilities of the established Federal departments and independent agencies."

Mr. LA FOLLETTE. Mr. President, I am highly in favor of the worthy objectives which the pending bill seeks to attain. The sole purpose of the amendment is to require the utilization of existing agencies, divisions, and sections of existing departments of the Government, and to prevent duplication. I believe the amendment which I am offering will appeal to all who are in sympathy with the bill.

Mr. THOMAS of Utah. Mr. President, I hope the amendment will be approved. I believe it would improve conditions.

Mr. VANDENBERG. Mr. President, I have already spoken briefly upon the matter. I inquire whether, as a matter of parliamentary right, I can be recognized to speak for 5 minutes on the proposed amendment.

The PRESIDING OFFICER. The Senator from Michigan is recognized, to speak for 5 minutes.

Mr. VANDENBERG. I desire to complete what I started to say when the able Senator from Kentucky [Mr. BARKLEY], suggested that the bill go over. I am in total sympathy with the measure, and I am not in any sense objecting. I hope it will pass. It cannot possibly do any harm, and it is calculated to do good.

I am frank to say, however, that I do not believe it encompasses the magnitude of the problem which now confronts us in respect to the paper work which has been forced upon the country by the organized regimentation which is probably unavoidable in connection with the war.

The bill deals almost exclusively with the powers of the Director of the Bureau of the Budget, and with the investigation and control of functions within the Government itself.

The resolution which was submitted today by the able Senator from Virginia [Mr. BYRD] and myself contemplates a total disclosure of what has become an almost insufferable burden upon American business in respect to questionnaires, reports, regulations, and rules which are descending upon it like a snow-storm, 7 days a week. Furthermore, today questionnaires in respect to rationing are often far more perplexing, confusing, and irritating than they need to be. If

there is to be universal acceptance of rationing as such, every possible irritation should be removed.

It seems to me that the pending bill makes a splendid start in the right direction. I am merely trying to indicate that I hope the passage of the bill will not in any sense be deemed an estoppel to the larger undertaking which we have in mind.

For example, a manufacturer from the State of the able Senator who now occupies the chair [Mr. LUCAS] was in my office this morning. He told me that it has cost him \$55,000 in 9 months to answer Government questionnaires. He has a plant with 2,000 employees. That is cited as a sample of what is happening. He also pointed out to me that the burden has doubled during the latter half of the 9 months. In other words, the trend is still rolling, and the burden is still multiplying. The net result is nothing short of staggering, not only in expense and irritation, but from the standpoint of actually deferring manpower which ought to be used for other and better purposes at the present time, to say nothing about the conservation of paper and perspiration.

Mr. President, let me give one other example of what can inadvertently happen in respect to the burden of paper work.

On the morning of the last day the tax bill was in conference, as I left the conference I received a letter from a manufacturer in New York State who pointed out to me that if the language in respect to reports under the Victory tax were left as it was drawn in the bill, four freight cars would be required to bring his reports to Washington at the end of each calendar year.

Nobody intended to require any manufacturer to use four freight cars to transmit reports to the Government in connection with the Victory tax. As soon as the matter was brought to the attention of the conference the language was promptly changed and immediately simplified so that all the reports will now be made under the social security reports. That is a perfect example of what can be done by a little rational and sane coordination.

But behind that, Mr. President, I very much fear that there is a deeper purpose in some of these reports. I particularly refer to the O. P. A. I know of no reason on earth to justify the so-called A and B financial reports which the O. P. A. required of 25,000 corporations last April, except to lay the foundation not only for regimentation to come but perhaps for nationalization after the war is over. The whole subject matter needs to be totally explored and totally corrected. That is the purpose to which the able Senator from Virginia and I have undertaken to direct our efforts today.

I am merely saying that the pending bill is a fine start in the right direction, but I hope it will not be considered as an estoppel to the broader undertaking which is so direfully needed.

Mr. THOMAS of Utah. Mr. President, as a sponsor of the bill I should like to say that I agree with the able Senator

from Michigan, and trust that the bill will be passed.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Wisconsin.

The amendment was agreed to.

The PRESIDING OFFICER. If there be no further amendment to be offered, without objection, the clerks will be authorized to renumber the sections.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to coordinate Federal reporting services, to eliminate duplication, and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies."

DISCOVERY OF OIL AND GAS ON THE PUBLIC DOMAIN

The Senate proceeded to consider the bill (S. 2239) to encourage the discovery of oil and gas on the public domain during the continuance of the present war, which was read as follows:

Be it enacted, etc., That until the present wars with Germany and Japan are concluded by treaties of peace, all oil or gas leases issued pursuant to the provisions of section 17 of the act entitled "An act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain," approved February 25, 1920, as amended (U. S. C., title 30, sec. 226), when the lands to be leased are not within any known geological structure of a producing oil or gas field, shall provide that during the first 10 years of such lease the royalty thereunder shall be 12½ percent in amount or value of the production, in lieu of the royalty prescribed by such section 17.

SEC. 2. Upon application filed before such wars are so concluded, by any lessee who on the date of enactment of this act holds a lease heretofore issued pursuant to such section 17, of lands not within any known geological structure of a producing oil or gas field, the Secretary of the Interior shall issue a new lease to such lessee in lieu of the lease then held by him. Such new lease shall provide that during the first 10 years after the issuance thereof the royalty thereunder shall be 12½ percent in amount or value of the production, in lieu of the royalty prescribed by such section 17.

Mr. O'MAHONEY. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Wyoming will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add a new section, as follows:

SEC. —. That until the present wars with Germany and Japan are concluded by treaties of peace the Secretary of the Interior may, whenever in his judgment it is necessary to do so in order to promote the discovery of oil or gas on the public domain, provide by regulation under leases heretofore or hereafter issued to unappropriated deposits of oil or gas, conditioned upon the payment during the first 10 years of such leases of a royalty of not to exceed 7½ percent in amount or value of the production from tracts not to exceed 40 acres in area, upon which discovery wells may hereafter be drilled.

Mr. DANAHER. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. DANAHER. For how long a period would the Secretary of the Interior be authorized to make leases under the terms of the bill?

Mr. O'MAHONEY. During the pendency of the war.

Mr. DANAHER. For how long a period might a lease run?

Mr. O'MAHONEY. The general leasing act provides for 20-year leases. The pending bill provides that as an incentive to the production of oil—and the Lord knows we need it—the Secretary of the Interior may provide for royalties for not to exceed 10 years.

Mr. DANAHER. Mr. President, I have not had an opportunity to study the whole question, but in the letter from the Secretary of the Interior, which is made a part of the committee report, is the following sentence:

I do not favor the enactment of the bill.

The letter is signed by Harold L. Ickes, Secretary of the Interior. Will the Senator from Wyoming explain the position of the Secretary of the Interior with regard to this matter?

Mr. O'MAHONEY. Mr. President, I think there may be some alteration in that point of view. Whether or not that is the case depends upon developments. However, the explanation is as follows:

Heretofore in the Geological Survey the motto seems to have been not "business as usual," but "conservation as usual." If there was ever any objective for which we should conserve the oil upon the public domain, the objective is before us now, to supply oil and gasoline to the fighting forces of America.

The Committee on Public Lands and Surveys has held protracted hearings upon the matter, and I can say to the Senator, without burdening the Senate, that the committee is unanimous in its belief that we should now hold out this incentive in order that we may provide an opportunity for the discovery of new reserves of oil. The Secretary of the Interior has so stated. The War Department and the Navy Department have both stated that the reserves are needed. I happen to be able to say that since the invasion of North Africa the estimates of the War and Navy Departments have vastly increased. Within the past 2 weeks the War Production Board has delegated to Mr. C. E. Wilson, formerly of General Electric, as I recall, the task of endeavoring to double the production of airplanes. It will be impossible to operate the airplanes unless a sufficient quantity of oil is available.

I will say to the Senator from Connecticut that those of us who are on the Committee on Public Lands and Surveys know that there are areas upon the public domain which should be prospected for additional reserves of oil. The pending bill would provide for such action.

Mr. DANAHER. Will the able Senator from Wyoming further yield?

Mr. O'MAHONEY. I yield.

Mr. DANAHER. In line 4, on page 1, of the pending bill I notice that it is provided that the powers will run at least until the present war shall have been concluded by treaties of peace.

Mr. O'MAHONEY. That is correct.

Mr. DANAHER. Does the able Senator from Wyoming feel that the words "by treaties of peace" are essential to the bill?

Mr. O'MAHONEY. They may not be essential.

Mr. DANAHER. The reason for my inquiry in that regard is that in almost all grants of wartime power we have imposed other limitations than might be provided by such a phrase. It becomes important if one recalls that only within the past month Under Secretary Welles has stated that we might well not make a treaty of peace at the conclusion of this war.

Mr. O'MAHONEY. If the Senator desires to move to strike the words "by treaties of peace," I shall have no objection.

Mr. DANAHER. I so move, Mr. President.

Mr. VANDENBERG. Mr. President, if the Senator will yield, let me say that the usual language which we have been using is "upon the cessation of hostilities." That is the phrase which has been used as a standard in all such legislation.

Mr. O'MAHONEY. I am quite willing to use that expression, and I am sure the committee would agree. If the motion is made, let it be understood that the alteration has been made as suggested by the Senators from Connecticut and Michigan.

Mr. ELLENDER. Mr. President, as I understand the pending bill, it would merely amend existing law.

Mr. O'MAHONEY. That is correct.

Mr. ELLENDER. It would not in any wise affect oil which might be located under the coastal waters, would it?

Mr. O'MAHONEY. No; it applies only to the public domain as now known by law.

The PRESIDING OFFICER (Mr. WALLGREN in the chair). The question is on agreeing to the amendment of the Senator from Wyoming, as modified.

Mr. PEPPER. Mr. President, I do not desire to speak before any other Senator speaks; but before the matter is concluded I should like to say a word on the pending bill. Will the able senior Senator from Wyoming yield to me?

Mr. O'MAHONEY. Certainly; I yield.

Mr. PEPPER. I have not had an opportunity to read the bill; but in my State there is very great interest in the discovery of oil. It is believed by a great many persons that there are oil preserves in or under the State of Florida, and a great many of our citizens have come to my colleague and to me to inquire whether there might be any way whereby the United States Government could encourage exploration for the discovery of oil.

Mr. O'MAHONEY. Mr. President, I should be glad to call the attention of the Senator to the progress report which I filed on October 22 on behalf of the Committee on Public Lands and Surveys. The report contains several recommendations. Because of the importance of this matter—and I think that its importance cannot be exaggerated, for we

and informative article from the National Petroleum News. It follows:

BUREAUCRATS SIC GESTAPO ON INDEPENDENT OIL MEN AS CONGRESSMEN FIGHT GAS RATIONING

(By Warren C. Platt, editor)

The "It Can't Happen Here" has happened. In this, our free America, the Gestapo have been ordered to investigate those concerned with the great uproar of protest against the unnecessary gasoline rationing west of the Atlantic Coast area.

Even though this protest reached great volume after the protest of the voters against the New Dealers in this month's congressional and gubernatorial elections, and even though protests were made on the floor of Congress in resolutions for investigation, in statements by Congressmen and Senators and Governors for postponement of the rationing, the Gestapo were ordered out.

The press agent for Rubber Director Jeffers says they are seeking those who stirred up the protestants and who put up the money.

The magazine, Business Week, also states the above as a fact.

Earl Godwin, national radio commentator, over a national hook-up, said the same as the press agent: that Jeffers' office wanted him to kill the story of the protests, and that they were investigating the seeming leaders of the protestants.

Then, according to Congressman Ludlow, of Indiana, Jeffers himself said there was no basis for such reports.

However, in Cleveland this week the regional director for the Office of War Information confirmed that the Federal Bureau of Investigation is investigating at the request of the Office of Price Administration, with the thought of making arrests; but, he pointed out, they were seeking only those who started rumors that gasoline rationing would be called off and not those who are protesting.

This country certainly has come to a fine pass if the rulers at Washington can call out their Gestapo whenever the criticism gets too much for them, whenever they make such serious mistakes that they have no defense.

Independent oil men have been protesting gasoline rationing because they have the facts in their own sales records as to what extent loyal American motorists are conserving their tires. Oil men would be negligent in their duty to their customers and to their country if they did not bring out these facts and ask delay of an important and drastic Government action until more such facts can be obtained.

Independent oil men are asking only for delay in rationing until the facts now developing that the people are daily doing a better job of conserving tires, can be had.

That is the part oil men have played in this storm of protest.

The protest never could have reached such large proportions, never could have gotten to congressional demand for an investigation of Jeffers and Office of Price Administration and the rubber situation, if the American people themselves did not know, each from his own actions, that what the oil men pointed out is true.

If what the oil men said—that the American motorists are today conserving their tires substantially, if not better, than the Baruch committee recommends—was false then these American motorists and their Senators and Congressmen and Governors and trade organizations never would have made the fight that they have. They would have kept silent.

As to who started the "rumors," Office of Price Administration and Jeffers could well look to themselves and their misadministration of rubber rationing. What better could start rumors of suspension of gasoline rationing than its postponement at the very last

minute, especially in the face of this growing demand for postponement?

Who knows but what Congress may adopt the resolutions introduced, and who knows then but what such action may force postponement?

Is it treason to think such a thought?

Is it treason to speak it?

Is it treason to discuss it with the people's representatives?

Is it treason to work to accomplish such an end—the suspension and, yes, then the abolishment of gasoline rationing?

If such be treason, then "It Can't Happen Here" certainly has happened.

Only we don't believe it.

Mr. Speaker, I ask unanimous consent to revise and extend my own remarks and include therein a very informative article from a certain magazine in connection with the subject of Nation-wide Gas Rationing.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

COORDINATION OF FEDERAL REPORTING SERVICES

Mr. PATMAN. Mr. Speaker, it is my understanding that the majority leader would like for the House to recess until Friday. I shall be compelled to object to this, I think, unless we can get an agreement about the passage of a bill that passed the Senate yesterday. I am sure no one will object to it.

Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill as passed by the Senate, S. 1666, to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies. That is discussed in today's RECORD commencing on page 9381.

It is a very fine bill. It passed the Senate unanimously. I am sure no one in the House will object to it, for everyone is opposed to unnecessary reports and useless questionnaires. This bill is for the purpose of reducing to the minimum the number of such useless reports and needless questionnaires.

Before noon I discussed this subject with the distinguished Minority Leader and he insisted that we have a committee report on it. The Committee on Expenditures in the Executive Departments, that has the bill for consideration, could not get a quorum this morning, but they agreed to have one tomorrow morning at 10 o'clock. They could find no objection to the bill, but everyone thought the House would be in session tomorrow. The distinguished Majority Leader thought we would be in session tomorrow and we just put it over until Wednesday. There ought not to be the delay of 1 hour or 1 minute.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, they are not going to be making many reports on Thanksgiving Day. Most business people will be in recess that day anyway. I do not know what harm will be done by having the bill go over until Friday. I do not think we should consider legislation that has never been be-

fore a committee. It is a very poor practice and it will be a discredit on Congress to take up legislation in this way.

Mr. PATMAN. May I say to the gentleman that the Senate committee went carefully into the bill and filed a report, which will be in the RECORD of today.

Mr. MARTIN of Massachusetts. I appreciate that fact and I am in perfect harmony with what the gentleman is trying to achieve, but after all, all the wisdom in the world is not in the Senate, and I say that with all courtesy.

Mr. PATMAN. In this case the gentleman is in accord with the effort of the Senate to prevent any unnecessary or useless questionnaires or reports. The author of the bill cannot be here Friday and that will have a tendency to delay the bill. The session will be over pretty soon.

Mr. MARTIN of Massachusetts. This is a very important piece of legislation and the gentleman is on the right track, there is no question about that. We talk about a lot of manpower that should be released for the war effort. By eliminating a lot of these questionnaires we can do that. So I am in sympathy with the gentleman but I insist that it go through a regular committee and be brought up here in the House in the regular way.

Mr. PATMAN. Would the gentleman be willing to meet tomorrow for that purpose?

Mr. MARTIN of Massachusetts. I will meet any time.

Mr. PATMAN. In view of that, if the gentleman is compelled to object, I hope that the gentleman from Massachusetts will not ask that we adjourn over until Friday.

Mr. McCORMACK. This colloquy is very interesting and I am very anxious to collaborate, but I insist that the majority leadership be consulted, as it is wise to do.

Mr. MARTIN of Massachusetts. The gentleman did consult with us.

Mr. McCORMACK. Let us look at this from the practical angle. Does the gentleman from Texas [Mr. PATMAN] want to take the position that in order to get this bill through tomorrow he will object to the House adjourning over until Friday, thus discommoding many Members? The gentleman cannot bring his bill up tomorrow unless the leadership consents to it and if the gentleman objects, I am going to protect the other Members. I would feel constrained to take that position, with all due respect and affection for my friend from Texas, and he knows I have an affection for him. I could not let the matter come up until Friday, if the gentleman is going to ask us to do something that will discommode every other Member of the House, when, as a matter of fact, the bill can be brought up on Friday, and I will submit the unanimous-consent request myself.

Mr. PATMAN. If the gentleman had heard the testimony that has been presented before the Committee on Small Business of the House, he would be very anxious to have this bill passed without 1 hour's delay. The people are up in

arms about these useless reports and unnecessary questionnaires. They are irritated by them and they are irritated at the Congress because the Congress will not do something about it. Now we have a bill here to do something about it.

Mr. MARTIN of Massachusetts. All we are asking is that it go before a regular committee of the House and get the approval of that committee. There is no question but what that should be done.

Mr. McCORMACK. Of course, it was intended to meet tomorrow.

Mr. PATMAN. The majority leader told me so.

Mr. MARTIN of Massachusetts. Why did not the gentleman call up this bill weeks ago?

Mr. McCORMACK. There will be no quorum tomorrow. I announced last week that the next bill after the bill we passed today would be the Panama Canal bill. There is going to be a fight on that bill so it is useless to bring it up tomorrow. There will not be a quorum present. Therefore, the common sense thing to do is to put it on the agenda for next week. The House should adjourn until Friday and then go over from Friday until next Monday. We do not want to sit on Thanksgiving Day. That is the practical thing to do. If the gentleman from Texas is out of town on Friday, I will promise to make the unanimous-consent request if he wants me to, or he may have some member of the committee make the unanimous-consent request.

Mr. PATMAN. The gentleman from New York [Mr. O'LEARY] is chairman of that committee and the gentleman from Mississippi [Mr. WHITTINGTON] is vice chairman. I feel that one of them will be here, and with the cooperation of the leadership on both sides, I will yield.

Mr. Speaker, I withdraw my unanimous-consent request.

Mr. McCORMACK. The gentleman from Texas has correctly stated the understanding, but circumstances have changed and it is simply a question of whether we want to discommode all the Members in order to please our charming friend from Texas. I know he will gladly forego that pleasure.

Mr. PATMAN. Mr. Speaker, as I stated, I withdraw the unanimous-consent request.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Friday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mrs. ROGERS of Massachusetts. Mr. Speaker, I have a special order to speak for 15 minutes today. I ask unanimous consent that that 15 minutes may be granted me on Monday next, after disposition of business on the Speaker's table and at the conclusion of any special orders heretofore entered.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to speak for 1 minute at this time.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts [Mrs. ROGERS]?

There was no objection.

GASOLINE AND OIL RATIONING

Mrs. ROGERS of Massachusetts. Mr. Speaker, may I say to the gentleman from Oklahoma [Mr. JOHNSON] that I hope his committee of 140 Members will remember that New England has had gasoline rationing for months, and that we should be considered also. More than that, before anything is done for any section of the country, they should see to it that New England is kept warm this winter. We will suffer greatly if something is not done. It is only just that every effort should be made to see that truck transportation is provided in other sections of the country where trucks can be used in order to release tank cars to carry fuel for New England. I maintain that tank cars are used to transport materials that are not needed in the war effort and where trucks can be used just as well. I have pleaded for weeks with the Members to have a single department to handle petroleum in order to fix the authority and to insure prompt action. The story of oil will be one of the sorriest pictures in the whole war effort because of conflicting action and delay by different departments. The situation is an incredible one. Oil has a vast importance in the war—oil for ships to carry men and equipment, gasoline and oil for airplanes and tanks, oil and gasoline to carry on the home front. There have been good intentions here and there that have been nullified by lack of affirmative action. Good intentions do not win a war. Insofar as the east coast is concerned it looks as if the other sections are trying to hurt it. Why will you not share and share alike? Have you no shame? Will you try to secure gasoline for your sections of the country while New England faces perilous cold? Will my pleas continue to fall on deaf ears? Have you no conscience?

EXTENSION OF REMARKS

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein a letter.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. ANDERSON of California, for 30 days, on account of official business.

To Mr. MAGNUSON, for 30 days, on account of official business.

To Mr. BRADLEY of Pennsylvania, for Monday, November 23, and indefinitely, on account of official business.

EXTENSION OF REMARKS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD on three subjects, and to include therein certain excerpts.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to extend by own remarks in the RECORD and include therein an address recently delivered by Mr. J. Edgar Hoover.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 2239. An act to encourage the discovery of oil and gas on the public domain during the continuance of the present war; to the Committee on Public Lands.

S. 2449. An act for the relief of Mary Frances Hutson; to the Committee on Claims.

S. 2680. An act for the relief of Christine Lund; to the Committee on Claims.

S. 2761. An act for the relief of the First National Bank of Huntsville, Tex.; to the Committee on Claims.

S. 2769. An act to authorize the rank of rear admiral in the Dental Corps of the United States Navy; to the Committee on Naval Affairs.

S. 2786. An act to equalize certain disability benefits for Army officers; to the Committee on Military Affairs.

S. 2791. An act to authorize the Secretary of the Navy to pay the costs of transportation of certain civilian employees and for other purposes; to the Committee on Naval Affairs.

S. 2818. An act to provide for payment of certain travel costs of dependents of military and civilian personnel of the Army and the War Department on a mileage basis in order to promote efficiency and economy in such payments; to the Committee on Military Affairs.

S. 2822. An act for the relief of William Kovatis; to the Committee on World War Veterans' Legislation.

S. 2824. An act to amend the act of January 24, 1920, so as to authorize the award of a silver star to certain persons serving with the Army of the United States; to the Committee on Military Affairs.

S. 2826. An act for the relief of Capt. Richard Rothwell, United States Marine Corps; to the Committee on Claims.

S. 2852. An act to authorize the President to confer decorations and medals upon units of, or persons serving with, the military forces of cobelligerent nations; to the Committee on Military Affairs.

S. 2887. An act for the relief of Master Gunnery Sergeant Eugene M. Martin, United States Marine Corps; to the Committee on Claims.

S. 2888. An act to provide for the reimbursement of certain Navy personnel for per-

fect the consumers and small retail merchants so as to get food to them, and the only way this can be done is through the wholesale grocery salesmen, and anything on earth you can do for us will certainly be appreciated more than we can tell you.

With kindest personal regards, and awaiting your reply, I am,

Very sincerely yours,

HALE-HALSELL CO.
By ELMER HALE.

JEFFERSON CITY, Mo.,
November 22, 1942.

HON. VICTOR WICKERSHAM,
Member of Congress,
Washington, D. C.:

All hotel industries will suffer if gas rationing is not deferred from December 1. Middle West unalterably opposed to December 1 rationing.

WALTER B. SIMPSON,
President, Missouri Hotel Association.

QUINCY, ILL., November 24, 1942.
Congressman VICTOR WICKERSHAM,
Washington, D. C.:

Gas rationing will materially cripple business all lines. Restaurants and hotels will suffer greatly. Urge greater flexibility in proposed plan of gas rationing. Farmers, small businessmen, and others working on production of foods and materials will be greatly handicapped by present plan. Present plan will practically put out of business thousands small operators one line or another.

ILLINOIS HOTEL ASSOCIATION,
EDWARD S. PERRY, President.

A Bill To Prevent Duplication of Reports and To Minimize the Burdens of Furnishing Information to Federal Agencies Expected To Be Considered by the House Tomorrow, November 25, 1942

SPEECH

OF

HON. WRIGHT PATMAN

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 24, 1942

Mr. PATMAN. Mr. Speaker, on yesterday the Senate passed S. 1666, a bill to coordinate Federal reporting services, to eliminate duplication, and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

This bill was amended on the Senate floor in a way that conforms exactly with a bill I introduced, H. R. 7756, in the House for the Committee on Small Business of the House with one exception, and that is an amendment which was proposed by the Senator from Wisconsin [Mr. LA FOLLETTE] and adopted, which reads as follows:

And utilizing, as far as practicable, the continuing organization, files of information, and existing facilities of the established Federal departments and independent agencies.

This amendment is entirely acceptable to me; in fact, it is an excellent addition to the bill.

The bill was submitted in the Senate by Senator MURRAY, of Montana, chairman of the Committee on Small Business

in the Senate, and by myself in the House, as chairman of the Committee on Small Business in the House, which committee, appointed by Speaker RAYBURN, is composed of Representatives BULWINKLE, KELLY of Illinois, FITZGERALD, HALLECK, HALL of New York, PLOESER, and myself, chairman.

A DEMAND FOR ELIMINATING USELESS REPORTS

The Committee on Small Business in the House has recently held public hearings in St. Louis, Memphis, Dallas, and Houston, and at all of these public hearings one of the principal complaints was that small businesses are required to make too many duplicate and unnecessary reports, which have a tendency to unduly burden them in carrying on their businesses at a time when good efficient help is scarce. The enactment of this bill into law will go a long way toward stopping these unnecessary reports and useless questionnaires. It is, of course, conceded that the Federal Government, doing business by correspondence, necessarily requires much information that the giver of the information does not see the necessity for, but to the Federal Government it is very important and necessary. However, all the red tape, unnecessary reports, and useless questionnaires should be eliminated that can possibly be eliminated, and all reports that are necessary should be made just as short as possible.

HOUSE COMMITTEE CONSIDERATION TOMORROW

The Committee on Expenditures of the House of Representatives has before it our bill, H. R. 7756. Mr. O'LEARY, of New York, chairman of the committee, has called a committee meeting for tomorrow morning, November 25, at 10 a. m. for the purpose of considering this bill. In view of the recognized importance of this timely bill, no objection to a favorable report to the House is expected, and if the bill is favorably reported out by the committee, the Speaker has agreed to permit the chairman of the Committee on Small Business, as author of the bill, to bring it up in the House by unanimous consent tomorrow.

It is also hoped that there will be no objection to its consideration in the House in order that it may be passed exactly as it passed the Senate.

EXPLANATION OF THE BILL

The Committee on Education and Labor in the Senate submitted the following report on the bill:

The Committee on Education and Labor, to whom was referred the bill (S. 1666), a bill recommended by the Special Senate Committee To Study Problems of American Small Business, to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services and to minimize the burdens of furnishing such reports to governmental agencies upon business enterprises, and especially small business enterprises, having considered the same, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

PURPOSES OF THE BILL

This bill declares the policy of the Congress to be that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required

to furnish such information, and at a minimum cost to the Government; that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should, insofar as is expedient, be tabulated in a manner to maximize the usefulness to other Federal agencies and the public.

ANALYSIS OF THE BILL

This bill proposes to direct the Director of the Bureau of the Budget, from time to time, to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; to investigate the methods used by such agencies in obtaining such information; and to coordinate, as rapidly as possible, the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons.

If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises or other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned, or any other interested persons, shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned. He may prescribe, with reference to the collection of such information, the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent.

While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

For the purpose of the act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this bill, with exceptions hereafter noted in the case of the Treasury Department.

All officers and employees of any Federal agency to which information may be released, under the provision of this bill, are subject to the same provisions of law, including penalties, relating to the unlawful disclosure as they apply to the collecting agency that releases the information.

No Federal agency shall conduct or sponsor the collection of information upon identical items from 10 or more persons other than Federal employees, unless it shall have submitted to the Director of the Bureau of the Budget such plans or forms and other related materials as the Director shall specify, and the Director shall have stated that he does not disapprove proposed collection of the information.

Under the provisions of the bill, any one of four specific conditions is required for the release of information by one Federal agency to any other Federal agency, to wit, such information may be released only if (1) the information shall be released in the form of statistical totals or summary; or (2) the information, as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency, or by any superior authority, to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another agency shall release the information has authority to collect the information itself and such authority is supported by legal provisions for criminal penalties

against persons falling to supply such information.

The Director of the Bureau of the Budget is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act. He is further authorized, within his discretion, upon the request of any party having a substantial interest, or upon his own motion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, he may give to such agency, and to other interested persons, an adequate opportunity to be heard or to submit statements in writing. If the Director determines that the collection of such information by such agency is unnecessary, whether because it is not needed for the proper performance of the functions of such agency, or because it can be obtained from another Federal agency, or for any other reason, such agency shall not thereafter engage in the collection of such information.

This bill also authorizes the annual appropriation of such sums as may be necessary to carry out the provisions of this act.

REASONS FOR APPROVAL OF THE BILL

This bill was recommended by the Senate Special Committee To Study Problems of American Small Business on June 26, 1941, and accompanied by this committee's report 479, part 1, Seventy-seventh Congress, first session. This report sets forth a substantial number of typical complaints received from thousands of businesses, large and small, against the tremendous burdens placed upon them by the multiplicity and duplication of demands of Federal agencies for information regarding the operation of their businesses.

The Senate Special Committee to Study Problems of American Small Business conducted an extensive investigation and held numerous conferences with the heads of Federal agencies, including the Director and members of the staff of the Bureau of the Budget, in connection with the problem.

The committee's report 479, part 1, sets forth the fact that the President, on January 10, 1939, transmitted to the Congress a report of the Central Statistical Board (now the Division of Statistical Standards in the Bureau of the Budget, as provided by Executive Order 8248). This report has been summarized in report 479, part 1.

The report of the Central Statistical Board covers its survey made at the request of the President in a letter of May 16, 1938, in which the President stated:

"I am concerned over the large number of statistical reports which Federal agencies are requiring from business and industry. In view of comments that have come into this office, I desire to know the extent of such reports and how far there is duplication among them. Accordingly, I am requesting the Central Statistical Board, under the authority of section I of the act creating the Board, to report to me on the statistical work of the Federal agencies, with recommendations looking forward to consolidations and changes which are consistent with efficiency and economy, both to the Government and to private industry" (p. 21, Rept. 479, pt. 1).

The summary of the Central Statistical Board report, as provided in report 479, part 1, indicates clearly that (1) the officials of practically all administrative agencies of the Federal Government recognize the tremendous increase and duplication of statistical reports required from business and industry; (2) that they are opposed to a central statistical agency for the collection of all information and reports; but that (3) they are sympathetic to, and many recommend, a coordinating agency such as the Division of Statistical Standards in the Bureau of the Budget, with sufficient authority placed in the Director of

the Bureau of the Budget to require the releasing of information by one Federal agency to another and to reduce the demands for information made by the Government upon business enterprises.

Subsequent to the referring of this bill to the Senate Committee on Education and Labor, on June 26, 1941, the national defense and war emergency introduced new factors in connection with this bill. New defense and war agencies were created which, in turn, required information from business enterprises.

On June 23, 1942, this committee met and, upon discussion of S. 1666, recommended that the chairman appoint a subcommittee to make a further study with reference to the application of the bill to the present wartime conditions and to obtain further up-to-date wartime information.

This subcommittee, under the chairmanship of Mr. MURRAY, subsequently held a conference in the committee rooms, at which were present authorized representatives from the major Federal agencies having an interest in this problem. Among those present were representatives from the Bureau of the Budget, the Treasury Department, the Securities and Exchange Commission, the Social Security Board, the Department of Commerce, the Department of Labor, the War Department, the Navy Department, the War Production Board, and the Office of Price Administration. A general agreement was reached that the purposes of the bill were good and it should be enacted by the Congress. By direction of the chairman, Mr. MURRAY, all representatives present were requested to file with him within 30 days a letter, if they so desired, setting forth their objections or views regarding amendments or changes in the bill. Only two departments responded with such a letter, namely, the Bureau of the Budget and the Treasury Department. Each letter included suggested amendments to the bill.

Considerably more than the allotted period of 30 days having passed, the chairman of the subcommittee invited representatives from the Bureau of the Budget, the Treasury Department, and the Department of Justice together for a discussion of any differences that might remain. As a result of that meeting certain further changes have been incorporated in the bill.

EXEMPTION OF THE TREASURY DEPARTMENT

The committee has approved a proviso in the bill to the effect that the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that department by law.

This was done, not only in response to the urgent request of the Secretary of the Treasury and in the committee's recognition of the validity of his supporting data, but also for other reasons.

It has been the traditional policy of the Treasury Department and of the Congress to maintain the highest standard of confidential treatment of information obtained by the Treasury Department, and the agencies under its jurisdiction, from business enterprises and from the public, especially as this information pertains to the collection of taxes, to the public finances, and the national banking system. The committee believes that this condition should not be changed and that the confidence of the people should not be disturbed as the result of any misconceptions of the purpose of this bill. This traditional policy has resulted in adequate protection to persons and to private business interests and has facilitated the work of the Treasury Department, particularly in the collection of taxes.

A further reason for the exemption of the Treasury Department is that, of the thousands of complaints received from businessmen in connection with forms which they have to submit to the Federal Government, few, if any, are directed at the Treasury Department or its agencies. In this regard, the committee believes that the present practice, with respect to the preparation of Federal tax forms, should not be changed and that these forms should be restricted to information relating only to Federal taxes.

Notwithstanding the fact that the conditions in the bill under which information may be released from one Federal agency to another, in the opinion of the committee, sufficiently protect and safeguard confidential reports and investigations, the committee believes that it is wise to exempt the Treasury Department, in the manner provided in the bill, in order not to disturb public confidence in any way in the handling of income-tax returns.

The Rubber Shortage

EXTENSION OF REMARKS OF

HON. WILLIAM M. COLMER

OF MISSISSIPPI

IN THE HOUSE OF REPRESENTATIVES

Tuesday, November 24, 1942

Mr. COLMER. Mr. Speaker, I doubt if there is any Member of this body who is not an expert on the subject who has a keener appreciation of what the rubber shortage might mean to this country than do I. Six months or more ago I commented upon this subject from the floor of this House. This comment was made incidental to the complaint that I then voiced about the administration's apparent attitude in not taking the people into its confidence on the necessity for the conservation of rubber.

I pointed out then that Japan had seized not a portion but the whole sources of our rubber supply. I wanted the administration then to come out in the open and acquaint the people with the fact that our whole raw-rubber supply had been cut off and that if the war lasted for 2 or 3 years more we might be faced with the problem of not having sufficient rubber for our military, much less our civil, needs.

Today the same administration, through Mr. Henderson, threatens to practically put the traveling salesman, who is an absolute necessity in rural States, out of business. It may not be necessary in New York or San Francisco or other great metropolitan centers and urban States to have the salesman to contact these rural communities, but in States like Mississippi the traveling salesman is as essential as the merchant himself.

My people, Mr. Speaker, are as patriotic as any segment of people in our great common country. They are perfectly willing to suffer inconveniences and to sacrifice their own flesh and blood once they are convinced of the necessity therefor. But they dislike regimentation; they abhor subterfuge; they rebel at deceit. They want practical administration of the problems that face the country.

FEDERAL REPORTS ACT OF 1942

NOVEMBER 27, 1942.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. WHITTINGTON, from the Committee on Expenditures in the Executive Departments, submitted the following

REPORT

[To accompany H. R. 7756]

The Committee on Expenditures in the Executive Departments, to whom was referred the bill (H. R. 7756) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, having considered the same, report favorably thereon with two amendments and recommend that the bill as amended do pass.

The committee amended the bill on page 2, line 15, by striking out the word "and" and at the end of line 19 by striking out the period, inserting a comma, and adding—

and utilizing, as far as practicable, the continuing organization, files of information, and existing facilities of the established Federal departments and independent agencies.

The bill, H. R. 7756, is identical with S. 1666, Seventy-seventh Congress, second session, as reported by the Senate Committee on Education and Labor. S. 1666 was recently passed by the Senate as reported with an amendment proposed by Senator La Follette and adopted by the Senate. The said amendment recommended and adopted by the Committee on Expenditures in the Executive Departments is identical with the La Follette amendment.

The committee further amended the bill on page 6, line 18 by inserting after the word "include", the following: "the General Accounting Office nor".

The committee have approved said amendment to section 7 (a) of the bill which would make the bill inapplicable to the General Accounting Office. The Congress, by the Budget and Accounting Act, approved June 10, 1921 (42 Stat. 20), created the General Accounting Office to act independently of the executive branch of the Government

and to report on certain matters directly to the Congress. By section 313 of the Budget and Accounting Act all departments and establishments are required to furnish to the Comptroller General such information regarding their financial transactions, among other things, as the Comptroller General may from time to time require of them and the Comptroller General and any of his duly authorized assistants or employees are authorized to have access to and the right to examine any books, documents, papers, or records of any department or establishment. The provisions of the bill are broad enough to embrace questionnaires or information in other similar form required of businessmen having Government contracts and reflecting information to which the General Accounting Office should have access to enable it to audit and settle properly the expenditure accounts of the Government and the possible claims of contractors against the Government. Section 4 (b) of the bill, even when considered with section 3 (e) thereof, would limit and make more involved the exercise of the Comptroller General's present authority to examine the records of departments and establishments when the proper performance of the duties of his office requires him to do so. The committee are of the opinion that such a result was not intended, is not necessary to the accomplishment of the purposes of the bill, and should not be permitted.

The General Accounting Office does not solicit any statistical or other general information, by the use of questionnaires or report forms, from businessmen or other citizens. It uses information forms only in individual cases when their use will facilitate the furnishing of additional information needed in connection with the audit of particular items in the collection or expenditure accounts and when their use will aid persons who have filed claims against the Government to furnish information required in the consideration of their particular claims. Exemption of the General Accounting Office from the provisions of the bill will not, in the opinion of the committee, affect the accomplishment of the purposes of the bill.

The Special Committees to Study the Problems of American Small Business have recommended the passage of the said bill and of the said companion bill, S. 1666. The Committee on Expenditures in the Executive Departments include as part of its report, their report of the Senate Committee on Education and Labor accompanying the said S. 1666 as follows:

[S. Rept. No. 1651, 77th Cong., 2d sess.]

The Committee on Education and Labor, to whom was referred the bill S. 1666, a bill recommended by the Special Senate Committee To Study Problems of American Small Business, to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services and to minimize the burdens of furnishing such reports to governmental agencies upon business enterprises, and especially small business enterprises, having considered the same, report favorably thereon with amendments, and recommend that the bill, as amended, do pass.

PURPOSES OF THE BILL

This bill declares the policy of the Congress to be that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government; that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should, insofar as is expedient, be tabulated in a manner to maximize the usefulness to other Federal agencies and the public.

ANALYSIS OF THE BILL

This bill proposes to direct the Director of the Bureau of the Budget, from time to time, to investigate the needs of the various Federal agencies for information from business enterprises, from other persons and from other Federal agencies; to investigate the methods used by such agencies in obtaining such information; and to coordinate, as rapidly as possible, the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons.

If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises or other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned, or any other interested persons, shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned. He may prescribe, with reference to the collection of such information, the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent.

While any such order, or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

For the purpose of the act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this bill, with exceptions hereafter noted in the case of the Treasury Department.

All officers and employees of any Federal agency to which information may be released, under the provision of this bill, are subject to the same provisions of law, including penalties, relating to the unlawful disclosure as they apply to the collecting agency that releases the information.

No Federal agency shall conduct or sponsor the collection of information upon identical items from 10 or more persons other than Federal employees, unless it shall have submitted to the Director of the Bureau of the Budget such plans or forms and other related materials as the Director shall specify, and the Director shall have stated that he does not disapprove proposed collection of the information.

Under the provisions of the bill, any one of four specific conditions is required for the release of information by one Federal agency to any other Federal agency, to wit, such information may be released only if (1) the information shall be released in the form of statistical totals or summary; or (2) the information, as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency, or by any superior authority, to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another agency shall release the information has authority to collect the information itself and such authority is supported by legal provisions for criminal penalties against persons failing to supply such information.

The Director of the Bureau of the Budget is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act. He is further authorized, within his discretion, upon the request of any party having a substantial interest, or upon his own motion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, he may give to such agency and to other interested persons, an adequate opportunity to be heard or to submit statements in writing. If the Director determines that the collection of such information by such agency is unnecessary, whether because it is not needed for the proper performance of the functions of such agency, or because it can be obtained from another Federal agency, or for any other reason, such agency shall not thereafter engage in the collection of such information.

This bill also authorizes the annual appropriation of such sums as may be necessary to carry out the provisions of this act.

REASONS FOR APPROVAL OF THE BILL

This bill was recommended by the Senate Special Committee To Study Problems of American Small Business on June 26, 1941, and accompanied by this committee's report 479, part 1, Seventy-seventh Congress, first session. This report sets forth a substantial number of typical complaints received from thousands of businesses, large and small, against the tremendous burdens placed upon them by the multiplicity and duplication of demands of Federal agencies for information regarding the operation of their businesses.

The Senate Special Committee To Study Problems of American Small Business conducted an extensive investigation and held numerous conferences with the heads of Federal agencies, including the Director and members of the staff of the Bureau of the Budget, in connection with the problem.

The committee's report 479, part 1, sets forth the fact that the President, on January 10, 1939, transmitted to the Congress a report of the Central Statistical Board (now the Division of Statistical Standards in the Bureau of the Budget, as provided by Executive Order 8248). This report has been summarized in report 479, part 1.

The report of the Central Statistical Board covers its survey made at the request of the President in a letter of May 16, 1938, in which the President stated "I am concerned over the large number of statistical reports which Federal agencies are requiring from business and industry. In view of comments that have come into this office, I desire to know the extent of such reports and how far there is duplication among them. Accordingly, I am requesting the Central Statistical Board, under the authority of section I of the act creating the Board, to report to me on the statistical work of the Federal agencies, with recommendations looking forward to consolidations and changes which are consistent with efficiency and economy, both to the Government and to private industry (p. 21, rept. 479, pt. 1)."

The summary of the Central Statistical Board report, as provided in report 479, part 1, indicates clearly that (1) the officials of practically all administrative agencies of the Federal Government recognize the tremendous increase and duplication of statistical reports required from business and industry; (2) that they are opposed to a central statistical agency for the collection of all information and reports; but that (3) they are sympathetic to, and many recommend, a coordinating agency such as the Division of Statistical Standards in the Bureau of the Budget, with sufficient authority placed in the Director of the Bureau of the Budget to require the releasing of information by one Federal agency to another and to reduce the demands for information made by the Government upon business enterprises.

Subsequent to the referring of this bill to the Senate Committee on Education and Labor, on June 26, 1941, the national defense and war emergency introduced new factors in connection with this bill. New defense and war agencies were created which, in turn, required information from business enterprises.

On June 23, 1942, this committee met and, upon discussion of S. 1666, recommended that the chairman appoint a subcommittee to make a further study with reference to the application of the bill to the present wartime conditions and to obtain further up-to-date wartime information.

This subcommittee, under the chairmanship of Mr. Murray, subsequently held a conference in the committee rooms, at which were present authorized representatives from the major Federal agencies having an interest in this problem. Among those present were representatives from the Bureau of the Budget, the Treasury Department, the Securities and Exchange Commission, the Social Security Board, the Department of Commerce, the Department of Labor, the War Department, the Navy Department, the War Production Board, and the Office of Price Administration. A general agreement was reached that the purposes of the bill were good and it should be enacted by the Congress. By direction of the chairman, Mr. Murray, all representatives present were requested to file with him within 30 days a letter, if they so desired, setting forth their objections or views regarding amendments or changes in the bill. Only two departments responded with such a letter, namely, the Bureau of the Budget and the Treasury Department. Each letter included suggested amendments to the bill.

Considerably more than the allotted period of 30 days having passed, the chairman of the subcommittee invited representatives from the Bureau of the Budget, the Treasury Department, and the Department of Justice together for a discussion of any differences that might remain. As a result of that meeting certain further changes have been incorporated in the bill.

EXEMPTION OF THE TREASURY DEPARTMENT

The committee has approved a proviso in the bill to the effect that the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that Department by law.

This was done, not only in response to the urgent request of the Secretary of the Treasury and in the committee's recognition of the validity of his supporting data, but also for other reasons.

It has been the traditional policy of the Treasury Department and of the Congress to maintain the highest standard of confidential treatment of information obtained by the Treasury Department, and the agencies under its jurisdiction, from business enterprises and from the public, especially as this information pertains to the collection of taxes, to the public finances, and the national banking system. The committee believes that this condition should not be changed and that the confidence of the people should not be disturbed as the result of any misconceptions of the purpose of this bill. This traditional policy has resulted in adequate protection to persons and to private business interests and has facilitated the work of the Treasury Department, particularly in the collection of taxes.

A further reason for the exemption of the Treasury Department is that, of the thousands of complaints received from businessmen in connection with forms which they have to submit to the Federal Government, few, if any, are directed at the Treasury Department or its agencies. In this regard, the committee believes that the present practice, with respect to the preparation of Federal tax forms, should not be changed and that these forms should be restricted to information relating only to Federal taxes.

Notwithstanding the fact that the conditions in the bill under which information may be released from one Federal agency to another, in the opinion of the committee, sufficiently protect and safeguard confidential reports and investigations, the committee believe that it is wise to exempt the Treasury Department, in the manner provided in the bill, in order not to disturb public confidence in any way in the handling of income-tax returns.

The Committee on Expenditures in the Executive Departments conducted hearings on H. R. 7756 and believes that the passage of the bill would be of material aid, especially to American small business and urges that in the interest of efficiency and economy the bill as amended should be immediately passed.





Union Calendar No. 958

77TH CONGRESS
2^D SESSION

H. R. 7756

[Report No. 2658]

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 2, 1942

Mr. PATMAN introduced the following bill; which was referred to the Committee on Expenditures in the Executive Departments

NOVEMBER 27, 1942

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

[Omit the part struck through and insert the part printed in italic]

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That this Act may be cited as the "Federal Reports Act of
4 1942".

5 SEC. 2. It is hereby declared to be the policy of the
6 Congress that information which may be needed by the
7 various Federal agencies should be obtained with a minimum
8 burden upon business enterprises (especially small business
9 enterprises) and other persons required to furnish such

1 information, and at a minimum cost to the Government,
2 that all unnecessary duplication of efforts in obtaining such
3 information through the use of reports, questionnaires, and
4 other such methods should be eliminated as rapidly as prac-
5 ticable; and that information collected and tabulated by any
6 Federal agency should insofar as is expedient be tabulated in
7 a manner to maximize the usefulness of the information to
8 other Federal agencies and the public.

9 SEC. 3. (a) With a view to carrying out the policy of
10 this Act, the Director of the Bureau of the Budget (here-
11 inafter referred to as the "Director") is directed from time
12 to time (1) to investigate the needs of the various Federal
13 agencies for information from business enterprises, from other
14 persons, and from other Federal agencies; (2) to investigate
15 the methods used by such agencies in obtaining such infor-
16 mation; ~~and~~ (3) to coordinate as rapidly as possible the
17 information-collecting services of all such agencies with a
18 view to reducing the cost to the Government of obtaining
19 such information and minimizing the burden upon business
20 enterprises and other persons, *and utilizing, as far as prac-*
21 *ticable the continuing organization, files of information and*
22 *existing facilities of the established Federal departments and*
23 *independent agencies.*

24 (b) If, after any such investigation, the Director is of
25 the opinion that the needs of two or more Federal agencies

1 for information from business enterprises and other persons
2 will be adequately served by a single collecting agency, he
3 shall fix a time and place for a hearing at which the agencies
4 concerned and any other interested persons shall have an
5 opportunity to present their views. After such hearing, the
6 Director may issue an order designating a collecting agency
7 to obtain such information for any two or more of the agencies
8 concerned, and prescribing (with reference to the collection
9 of such information) the duties and functions of the collecting
10 agency so designated and the Federal agencies for which it
11 is to act as agent. Any such order may be modified from
12 time to time by the Director as circumstances may require,
13 but no such modification shall be made except after investi-
14 gation and hearing as hereinbefore provided.

15 (c) While any such order or modified order is in effect,
16 no Federal agency covered by such order shall obtain for
17 itself any information which it is the duty of the collecting
18 agency designated by such order to obtain.

19 (d) Upon the request of any party having a substantial
20 interest, or upon his own motion, the Director is authorized
21 within his discretion to make a determination as to whether
22 or not the collection of any information by any Federal
23 agency is necessary for the proper performance of the func-
24 tions of such agency or for any other proper purpose. Before
25 making any such determination, the Director may, within his

1 discretion, give to such agency and to other interested persons
2 an adequate opportunity to be heard or to submit statements
3 in writing. To the extent, if any, that the Director deter-
4 mines the collection of such information by such agency is
5 unnecessary, either because it is not needed for the proper
6 performance of the functions of such agency or because it can
7 be obtained from another Federal agency or for any other
8 reason, such agency shall not thereafter engage in the collec-
9 tion of such information.

10 . (e) For the purposes of this Act, the Director is au-
11 thorized to require any Federal agency to make available
12 to any other Federal agency any information which it has
13 obtained from any person after the date of enactment of
14 this Act, and all such agencies are directed to cooperate
15 to the fullest practicable extent at all times in making such
16 information available to other such agencies: *Provided, how-*
17 *ever,* That the provisions of this Act shall apply to the
18 Treasury Department only to the extent that the Secretary
19 of the Treasury may determine that compliance therewith
20 will not interfere with the proper administration of the func-
21 tions and duties imposed upon that Department by law.

22 SEC. 4. (a) In the event that any information obtained
23 in confidence by a Federal agency is released by that agency
24 to another Federal agency, all the provisions of law (includ-
25 ing penalties) which relate to the unlawful disclosure of any

1 such information shall apply to the officers and employees
2 of the agency to which such information is released to the
3 same extent and in the same manner as such provisions apply
4 to the officers and employees of the agency which originally
5 obtained such information; and the officers and employees
6 of the agency to which the information is released shall in
7 addition be subject to the same provisions of law (including
8 penalties) relating to the unlawful disclosure of such informa-
9 tion as if the information had been collected directly by such
10 agency.

11 (b) Information obtained by a Federal agency from any
12 person or persons may pursuant to this Act, be released to
13 any other Federal agency only if (1) the information shall
14 be released in the form of statistical totals or summaries; or
15 (2) the information as supplied by persons to a Federal
16 agency shall not, at the time of collection, have been declared
17 by that agency or by any superior authority to be confi-
18 dential; or (3) the persons supplying the information shall
19 consent to the release of it to a second agency by the agency
20 to which the information was originally supplied; or (4) the
21 Federal agency to which another Federal agency shall re-
22 lease the information has authority to collect the information
23 itself and such authority is supported by legal provision for
24 criminal penalties against persons failing to supply such
25 information.

1 SEC. 5. No Federal agency shall conduct or sponsor the
2 collection of information, upon identical items, from ten or
3 more persons (other than Federal employees considered as
4 such) unless, in advance of adoption or revision of any plans
5 or forms to be used in such collection,

6 (a) The agency shall have submitted to the Director
7 such plans or forms, together with copies of such pertinent
8 regulations and other related materials as the Director shall
9 specify; and

10 (b) The Director shall have stated that he does not
11 disapprove the proposed collection of information.

12 SEC. 6. The Director is authorized to make such rules
13 and regulations as may be necessary to carry out the provi-
14 sions of this Act.

15 SEC. 7. As used in this Act—

16 (a) The term “Federal agency” means any executive
17 department, commission, independent establishment, cor-
18 poration owned or controlled by the United States, board,
19 bureau, division, service, office, authority, or administration
20 in the executive branch of the Government; but such terms
21 shall not include *the General Accounting Office* nor the gov-
22 ernments of the District of Columbia and of the Territories
23 and possessions of the United States, and the various sub-
24 divisions of such governments.

25 (b) The term “person” means any individual, partner-

1 ship, association, corporation, business trust, or legal repre-
2 sentative, any organized group of persons, any State or
3 Territorial government or branch thereof, or any political
4 subdivision of any State or Territory or any branch of any
5 such political subdivision.

6 (c) The term "information" means facts obtained or
7 solicited by the use of written report forms, application
8 forms, schedules, questionnaires, or other similar methods
9 calling either (1) for answers to identical questions from ten
10 or more persons other than agencies, instrumentalities, or
11 employees of the United States or (2) for answers to ques-
12 tions from agencies, instrumentalities, or employees of the
13 United States which are to be used for statistical compilations
14 of general public interest.

15 SEC. 8. There are hereby authorized to be appropriated
16 annually, out of any money in the Treasury not otherwise
17 appropriated, such sums as may be necessary to carry out
18 the provisions of this Act.

Union Calendar No. 958

77TH CONGRESS
2^D Session

H. R. 7756

[Report No. 2658]

A BILL

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

By Mr. PATMAN

NOVEMBER 2, 1942

Referred to the Committee on Expenditures in the
Executive Departments

NOVEMBER 27, 1942

Reported with amendments, committed to the Committee of the Whole House on the state of the Union, and ordered to be printed

in a short newspaper article which gives a partial report of a recent address I delivered in my home city.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an article in the current Progressive Farmer and an A. P. story regarding my colleague the Honorable HAMPTON P. FULMER.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CARLSON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD in two separate places and include therein certain letters and telegrams.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CLASON. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and include therein an editorial from the Springfield Union of November 26 in regard to the fuel-oil shortage in Massachusetts.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CLASON. Mr. Speaker, I further ask unanimous consent to extend my own remarks in the RECORD, concerning cuts in farm-truck mileage under an order of the Office of Defense Transportation, and to include therein a letter I have received from a constituent.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. LAMBERTSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. LAMBERTSON. Mr. Speaker, we are a united Nation on winning the war. We are thrilled at recent military successes.

It was a year ago yesterday the President sent the secret ultimatum to Japan,

"She has war in her lap, she can take it or leave it." Sixteen days later we were rationing tires in America. There was not much planning on rubber, an essential war material; the whole country right now is feeling the pinch of it.

Two and a half years after the First Emergency Act a manpower commission is set up—but nothing is yet planned. All proposed plans fall before the Perkins wage scale in defense and the Fair Labor Standards Act and yesterday we learned manpower may go to the Labor Department. Think of it.

While we had little planning on rubber and manpower, we are planning abundantly now on feeding the world, and overseeing it when hostilities cease, in order to guarantee the peace. We should all be concerned about this first real planning.

EXTENSION OF REMARKS

Mr. MUNDT. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a newspaper article commenting upon a survey conducted by the National Association of Manufacturers.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. HÉBERT. Mr. Speaker, I ask unanimous consent that today, upon the completion of all legislative business and following any prior special order, I may address the House for 15 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

EXTENSION OF REMARKS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include a letter from Mr. Jeffers, the rubber czar.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein certain telegrams and letters.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. WICKERSHAM. Mr. Speaker, I ask unanimous consent that at the conclusion of the regular order of business and following any previous special order, I may address the House for 7 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

THE PROGRAM TO FEED THE WORLD

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON. Mr. Speaker, we have just had a word about the plans that are being formulated to feed the world. We have also received word that there is not going to be enough milk for our babies, our children, and those on our production lines. The records of the slaughterhouses show there is an enormous increase in the slaughtering of dairy cattle for beef because the farmers can no longer keep their herds.

I would like to bring to the attention of the House the very great seriousness of this milk shortage. This is due partly to the great quantity used for our troops and shipped abroad. Partly to mismanagement due to the lack of over-all planning for war. Without registration of our manpower before the draft, irretrievable losses of skilled labor were suffered on the production lines and on the farms. I submit, Mr. Speaker, that the skilled labor of the farmer has been dissipated. Our farms have not been thought important, nor the farmer's problems given adequate consideration. Now we are told there is insufficient meat and milk for our own people.

No one could desire to take food to the starving overseas more than I, but if we have scarcity here, how can we hope to feed the world?

OLD-AGE PENSION PROGRAM

Mr. ANGELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

[Mr. ANGELL addressed the House. His remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. BLAND. Mr. Speaker, I ask unanimous consent to extend my remarks in the Appendix of the RECORD and to include therein an editorial from the New York Herald Tribune in appreciation and commendation of the work of Admiral Land of the Maritime Commission.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

[The matter referred to appears in the Appendix.]

Mrs. BOLTON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include ex-

tracts from an article appearing in the Cleveland Plain Dealer.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[The matter referred to appears in the Appendix.]

PERMISSION TO ADDRESS THE HOUSE

Mr. JOHNSON of Illinois. Mr. Speaker, I ask unanimous consent that at the conclusion of the legislative program and following any previous special order I may address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

RESIGNATION OF MEMBER

The SPEAKER. The Chair lays before the House the following communication from the clerk of the House.

The clerk read as follows:

OFFICE OF THE CLERK,
HOUSE OF REPRESENTATIVES,
Washington, D. C., November 27, 1942.
The honorable the SPEAKER,
House of Representatives.

Sir: I have the honor to transmit herewith the letter of the Governor of Pennsylvania, together with enclosure, relative to his acceptance of the resignation of Hon. CHARLES I. FADDIS as a Representative in Congress from the Twenty-fifth Congressional District of that State.

Very truly yours,

SOUTH TRIMBLE,
Clerk of the House of Representatives.

COORDINATION OF FEDERAL REPORTING SERVICES

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 7756) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, with committee amendment.

The clerk read the title of the bill.

Mr. WILLIAMS. Mr. Speaker, reserving the right to object, I think I shall have to object to the consideration of this bill at this time unless we can agree on an amendment we have here and one which has been prepared, I may say, by the Federal Reserve Banking System and the Federal Deposit Insurance Corporation.

I want it distinctly understood, of course, that I am heartily in sympathy with the purpose of this bill and the bill as originally introduced, in my opinion, is without any objection at all.

An amendment which was passed in the Senate, which excepts from the provisions of the bill the Treasury Department, puts the situation in this condition: It simply eliminates from consideration the Federal Reserve Banking System and the Federal Deposit Insurance Corporation, and places the collection of statistics exclusively in the Comptroller of the Currency. That, I think, is entirely unfair. I have an amendment here which provides that the Federal Reserve banks and the Federal Deposit Insurance Corporation be placed on the same footing as they are now with the

Comptroller General. In other words, if the Treasury Department, under the provisions of the Senate bill, should find it was necessary to centralize the collection agency of the banking statistics of the country they could not designate the Federal Reserve bank or the Federal Deposit Insurance Corporation either one, but would have to centralize that in the Comptroller of the Currency. All that these two agencies ask is to be placed on the same basis that they are. This is a definitely unfair provision concerning that matter. I hope the committee will agree to that amendment.

Mr. WHITTINGTON. In response to the gentleman's statement that this bill would prevent the Federal Deposit Insurance Corporation or the Federal Reserve bank from obtaining information, I have to say that under the terms of this bill those agencies would be required to do just what the other agencies of the Government are required to do, to wit, confer with the Director of the Budget with respect to their desire for information. I take it that if the Director of the Budget approves the annual appropriations for the operations of these agencies he would not deny any information that they would need in the execution of the functions conferred upon them by law.

I should also like to say that this is a bill which the gentleman from Texas [Mr. PATMAN], introduced, and undertook to bring up before the House adjourned on last Tuesday. It is a companion bill to Senate 1666, unanimously passed by that body earlier this week. The provision with respect to the exemption of the Treasury Department is a provision that obtained in the bill as it was reported by the Senate Committee on Education and Labor and as it passed the Senate. It is not a provision that was incorporated by way of amendment in the House committee that considered this bill. I also state that this bill was considered by the Committee on Expenditures in the Executive Departments; that there were no requests for hearings either by the Federal Reserve or by the Federal Deposit Insurance Corporation. I will state that in the committee—I think the gentleman from Michigan [Mr. HOFFMAN], was interested—there was some sentiment for the elimination of the provision that exempted partially the Treasury Department from the operation of the bill.

Mr. WALTER. Will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. WALTER. Do I understand the gentleman to mean that under the bill as written the Treasury Department and the Federal Deposit Insurance Corporation and the Comptroller General could all make examinations of the records of all the banks of the country?

Mr. WHITTINGTON. No; I would not say that at all. Under the terms of the bill as written, and in order that there may be no misunderstanding, the proviso exempting the Treasury Department is in the language which I shall quote—it being kept in mind that the purpose of this bill is to make effective the recommendations of the two committees on

small business; to relieve small business and large business of the country from the onerous burden of making multitudinous reports as required by the Office of Price Administration, the War Production Board, and many other agencies, where it is believed reports are duplications and are not essential. The language with respect to the Treasury is as follows:

Provided further, That the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon the Department by law.

It was thought that the Treasury Department, particularly the Commissioner of Internal Revenue, should not in anywise be hindered or hampered in requiring any information for the collection of income taxes and other taxes. For that reason the committee exempted only the Treasury Department, and in exempting the Treasury Department it would apply, I am frank to say, to the Comptroller General with respect to the national banking system.

Mr. HOFFMAN. Mr. Speaker, will the gentleman yield?

Mr. WILLIAMS. I yield.

Mr. HOFFMAN. If I understand this bill—and if I do not, I wish the gentleman would correct me—it has two objectives: One is to lessen the burden that the departments have been imposing upon the people, of making exhaustive and numerous unnecessary reports. That is one objective.

Mr. WHITTINGTON. Yes.

Mr. HOFFMAN. The other is to lessen the expense to the Government.

Mr. WHITTINGTON. Yes.

Mr. HOFFMAN. We are all in favor of those two objectives. The heads of all these departments belong to the same political party. They ought to be able to get along together. There is no reason why they should not. This bill in the beginning, as I understand it, provided that these reports should not be requested unless the Director of the Budget said it was necessary. The purpose was to place upon the Director of the Budget, upon one man, the responsibility. Now the Treasury Department comes along and wants to be exempted from meeting the requirements of the Director.

Mr. WALTER. Will the gentleman yield to me at that point?

Mr. HOFFMAN. Just a moment. Now, before the committee there were representatives of other departments, and if I understand the English language, although they said they did not want to be exempted, that is just what they did want. Some of them said they wanted a hearing or they wanted to be consulted. If we are going to lessen the expense to the Government, if we are going to relieve businessmen, farmers, and everybody else from these annoying requests with which they cannot possibly comply—as one witness put it, those fellows down in the department are asking for a report in ounces when they should be asking for a report in tons—we must make some one individual responsible.

For example, one report requires a sheet-metal worker to report the number of square feet of sheet metal in his shop when everybody in the trade knows that sheet metal is dealt with in pounds or tons rather than square feet. If we want to get somewhere let us strike out this exemption of the Treasury Department, give the Director of the Budget authority and hold him responsible; because if you do not, the first time a kick comes in and you write the Director of the Budget a complaint he will reply that the head of the Treasury Department does not want it and that your protest falls within the jurisdiction of the Treasury Department and, like a puppy, you can just chase your tail all around the building. You will never get anywhere unless we make someone responsible. Now, let us make the Director of the Budget responsible, hold him to it, and if things do not go right ask him what is wrong and demand that he make correction.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield.

Mr. WALTER. The thing I am interested in is ascertaining whether or not the enactment of this legislation will relieve the small banks throughout the Nation of the onerous task that now is thrust upon them of constantly reporting to agency after agency of the Government.

Mr. HOFFMAN. Of course it will not, not even under the Director of the Budget. We should not exempt any of the various departments.

(Mr. HOFFMAN asked and was given permission to revise and extend his remarks.)

Mr. WHITTINGTON. Mr. Speaker, if the gentleman from Missouri will yield, and if the gentleman from Michigan will give me his attention: If the gentleman were to insist upon the elimination of the proviso as carried in the Senate bill and in the bill under consideration with respect to the Treasury Department, it strikes me there would be no occasion for the consideration of the amendment proposed or suggested by the gentleman from Missouri. Under the parliamentary situation, as the gentleman understands, he has the right to offer an amendment to strike out that part of the bill with respect to the Treasury Department.

Mr. HOFFMAN. I propose to offer that amendment for this reason: Time and time again I have had to swallow legislation a part of which was good, but wrapped up in it was a dose that made my people and it made me sick—nauseated, in fact—and I have got to the point now since the election when the people gave notice they wanted more effective opposition to the New Deal, where I do not propose to swallow any more of this kind of legislation.

Mr. WHITTINGTON. Mr. Speaker, if the gentleman from Missouri will offer his amendment—I have conferred with such members of the committee as are available, and in all frankness I may say to the gentleman from Michigan and to the gentleman from Missouri that, as the

spokesman for the committee, there is no course for me to pursue except to undertake to secure the passage of the bill as reported—but in all fairness I may say further that if the gentleman offers his amendment to strike out the proviso of the bill to which he refers there will be no occasion—and I understand the gentleman from Missouri will be satisfied—for the gentleman to propose his amendment—I am agreeable to the proposition of having the amendment reported.

Mr. WILLIAMS. May I inquire of the chairman of the committee: If the amendment is offered, will it be accepted by the chairman of the committee?

Mr. WHITTINGTON. I would rather not be placed in the position of accepting an amendment; but I may say that if the gentleman from Michigan [Mr. HOFFMAN] offers the amendment, then I would rather see the amendment adopted than to see the bill go over, because I believe the bill is exceedingly important and necessary, as suggested by the gentleman from Pennsylvania, for the relief of the small business of the country.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, I would suggest, in view of what has gone on, that there is a great deal of interest in the legislation. Personally it would seem to me the gentleman would do well if he allowed half an hour's general debate and then had the bill read for amendment. The bill is worthy of more careful consideration than we are according it under the unanimous-consent request.

Mr. WHITTINGTON. If the gentlemen interested offer their amendments the matter can probably be settled in less than half an hour. I trust the gentleman from Missouri will withdraw his objection so that the amendment proposed by the gentleman from Michigan may be considered.

Mr. MARTIN of Massachusetts. I am speaking only for myself. I think the bill should have fuller consideration before the amendment stage is reached, but I withdraw my reservation of objection.

Mr. WHITTINGTON. If the gentleman from Missouri will do likewise then the bill will be in order.

Mr. SMITH of Ohio. Mr. Speaker, reserving the right to object, there is a good deal more to this bill than merely the elimination of unnecessary reports. Under section 2 (d) it seems to me you are vesting a lot of authority and power in the Director of the Budget.

Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or any other proper purpose.

Certainly a considerable amount of information being collected by various governmental agencies is being so collected by direction of the Congress in response to specific legislation. Are we to infer that the Director of the Budget is to have final authority and power to set aside any legislation which the Congress has passed directing the collection of information?

Mr. WHITTINGTON. I may say in response to the gentleman's question that the purpose, and the important purpose, of the bill is to carry into effect the recommendations respecting reports of the two committees on small business. It is not a question of investigation and reports and information being required by law; it is a burden that is imposed by the bureaus without congressional authority and without law. The purpose of the bill was explained when it was under debate in the other body by the Senator from Michigan [Mr. VANDENBERG]. Its purpose is to reduce as far as possible and to eliminate as far as possible the burdens on business where no such burdens are required by law.

Mr. SMITH of Ohio. Will the gentleman accept an amendment which will provide that this power shall be given to the Director of the Budget only in those instances and cases where the authority has not been specifically given by the Congress to collect such information?

Mr. WHITTINGTON. May I say to the gentleman that I do not think there is any occasion for such an amendment because there is no such power in the bill. There has been no hearing on that particular point or on the necessity for the amendment, and if the amendments proposed by the committee are adopted, the bill may go to conference. I will be very glad to bring that matter to the attention of the conferees.

Mr. SMITH of Ohio. This says that the director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency, and so forth. It does not exempt the authority which has specifically been granted by the Congress to obtain certain information. This appears to me to be all-inclusive. Unless I can have some assurance that an amendment will be accepted that this act shall apply only to such information as is not already specifically authorized to be obtained by statute, I shall object to the consideration of the bill.

Mr. WHITTINGTON. I have answered the gentleman. I have stated repeatedly that this bill has been considered by the committees of the Senate and the House and its sole purpose is to prevent duplication and to prevent the requirement on businessmen which puts them to an enormous expense. I have before me a statement that one business concern had expended \$55,000 in submitting multitudinous reports that were duplications. The sole purpose of this bill is to vest in some agency of the Government discretion as to limiting these expenses. I believe that if the Director of the Budget passes upon the appropriations that Congress makes for the functioning of the various Federal agencies this particular part of their functions can be entrusted to him and I think under no circumstances would there be eliminated any information that by statute law the legislative body required to be obtained or furnished.

Mr. HOFFMAN. If I understand the gentleman from Ohio correctly, he is trying to amend the bill so that there

will be some limitation upon the information requested, is that right?

Mr. SMITH of Ohio. That is right.

Mr. HOFFMAN. I understood that subsection (d) on page 3 was sort of a limitation. That is, the Director of the Budget could cut out some of the things that other departments wanted. Would it not satisfy the gentleman from Ohio, if his proposed amendment is objectionable to the committee, if at the end of the paragraph on page 4 we added some amendment like this: "Provided, however, That no information shall be called for by any department unless there is some Federal statute authorizing the collection of that information"?

Mr. WHITTINGTON. I may say to the gentleman from Ohio and to the gentleman from Michigan that, as the gentleman from Michigan has suggested, some discretion should be given an agency, and inasmuch as the Director of the Budget, by the terms of this bill, is given that discretion, I take it it can be assumed that in all of these cases where information is needed, inasmuch as there should be some agency to prevent the expense to the taxpayers, no better agency can be vested with that authority than the Director of the Budget. I say again that under the terms of this bill, not having seen the language that the gentleman has in mind there is no authority here for the repeal of statutory law requiring reports.

Mr. MARTIN of Massachusetts. It has been called to my attention that this legislation would make it possible for the Director to demand the income returns of any individual or corporation and give that to another agency if he wished; is that correct?

Mr. WHITTINGTON. That is not the intent, but I may say to the gentleman that it was for that reason that the Treasury Department, among others, was released from the provisions of the bill as it passed the Senate and as introduced in the House. It is my personal view that the Treasury Department should continue to be eliminated as provided in the bill as passed by the Senate and reported by the House committee. I favor protection of the taxpayers, and if the Treasury Department is to be protected in obtaining information with respect to income taxes, the amendment that the gentleman from Missouri has in mind might be offered.

Mr. BROWN of Ohio. If the gentleman from Mississippi will read subsection (e), beginning in line 6, page 4, of the bill, he will see that the Director of the Budget is authorized to transfer any information to any Federal agency that he may wish to transfer, with the proviso that the Treasury Department will not be required to turn over any information that the Secretary does not want to turn over, but if the Secretary of the Treasury is willing to turn it over, this makes it possible for any agency of the Government to check anybody's income tax.

Mr. WHITTINGTON. Not at all.

Mr. BROWN of Ohio. Oh, yes.

Mr. WHITTINGTON. I think income-tax returns are protected by law, and I have stated repeatedly that this bill does not undertake to repeal any sub-

stantive law. Instead of giving the Secretary of the Treasury the right to do whatever he wanted, the bill exempts the Treasury only to the extent that the function of that Department may not be hampered.

Mr. CASE of South Dakota. It seems to me that with the large number of business firms now represented in the War Production Board and the Office of Price Administration, this might afford an opportunity for one competitor to get the low-down on the business of a rival.

There is nothing that is taken care of in that proviso that would prevent the Secretary of the Treasury from giving out that information if in his estimation it did not interfere with the functions of his office, but it does not necessarily protect the business that is concerned from the loss of its business knowledge.

Mr. WHITTINGTON. In response to that suggestion, I would say that as a matter of common knowledge, instead of perpetuating and enabling the thing to be done that the gentleman has in mind, this bill would restrict it, because that information can now be obtained. I would say further that in the interest of efficiency and economy if any agency of the Government obtains information that is essential to the functions of government it ought to be made available to another agency of the Government, but not in violation of the law or by giving to the public any information that is prohibited by law from being given to the public.

Mr. CASE of South Dakota. I would agree with the gentleman if it were not for the fact that in the War Production Board today we have a great many dollar-a-year men, and some question has been raised about whether the loyalties of those men are entirely for the Government or partly for their businesses.

Mr. WHITTINGTON. Assuming that you do not pass this bill, if the gentleman will pardon me for interrupting, then that collection of information will continue, whereas if you pass this bill you will restrict it and do the very thing the gentleman has in mind.

Mr. SMITH of Ohio. Will the gentleman accept an amendment on page 3, line 23, after the word "purpose"?

Mr. WHITTINGTON. What part of the bill has the gentleman in mind? The gentleman evidently has a different bill or print than I have.

Mr. SMITH of Ohio. I have the bill S. 1666.

Mr. WHITTINGTON. We have under consideration the bill H. R. 7756.

Mr. SMITH of Ohio. It is practically the same.

Mr. WHITTINGTON. Yes; it is.

Mr. SMITH of Ohio. It is the same wording.

Mr. WHITTINGTON. Give me the comparable line in the Senate bill.

Mr. SMITH of Ohio. In the bill S. 1666 it is page 3, line 23, whereas in the bill H. R. 7756 it is page 3, line 20. The proposed amendment is, after the word "purpose", to insert "Provided, however, That this authority shall not exist where the collection of information is required by Federal statute."

Mr. WHITTINGTON. That amendment was not considered by the committee. Frankly, I see no objection to the gentleman proposing the amendment.

Mr. SMITH of Ohio. Will the amendment be accepted, then?

Mr. WHITTINGTON. I say that the committee has not passed on it. I would not have authority to accept the amendment, but would not personally oppose it.

Mr. SMITH of Ohio. We have no assurance, then, that the amendment will be accepted?

Mr. WHITTINGTON. I cannot go any further, because, frankly, the amendment has not been considered by the committee, and I have not had an opportunity to confer with my committee. I cannot do anything more than say that as far as the gentleman is concerned, and as far as the amendment he desires to offer, if he desires to offer it, is concerned, I cannot agree to it. However, I personally know of no reason why it should not be adopted.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Ohio. I yield to the gentleman from Georgia.

Mr. COX. I hope the gentlemen who have expressed an interest in the measure will be able to come to some understanding that will make possible its consideration at this time, because the need for the legislation is so great that if it fails of consideration at this time other provision will be made so that it can be brought back here later. An objection would simply amount to delay.

Mr. ROBSON of Kentucky. If the gentleman will yield, I think the gentleman covers only one-half of the situation. I think it ought to provide that it shall not apply where information is required to be given or where information is required to be withheld. It ought to cut both ways.

Mr. WHITTINGTON. I think the gentleman's amendment might do that. If it does not, it could be perfected, in conference.

Mr. SMITH of Ohio. It is with the understanding that the gentleman agrees to do what he can to see that this amendment is included that I withdraw my reservation of objection, Mr. Speaker.

Mr. WHITTINGTON. Please do not put any words in my mouth. I have done the best I could for the gentleman.

Mr. DEWEY. Reserving the right to object, Mr. Speaker, may I ask my colleague from Missouri regarding his amendment? As it looks to me, the examination of banks by the Federal Reserve and various other agencies of the Government, unless they are considered part of the Treasury, would be eliminated. I was wondering what the gentleman's amendment would do regarding that.

Mr. WILLIAMS. I will read the amendment to the gentleman. I have the Senate bill here but not the House bill, so I cannot give the gentleman the particular page and line of the House bill, but in the Senate bill it follows the proviso in line 15 on page 4, beginning—

Provided, however, That the provisions of this act shall apply to the Treasury Department only to the extent—

And so on. The amendment follows that proviso and reads as follows:

Provided further, That the provisions of this act shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

In other words, it leaves the Federal Reserve banks and the Federal Deposit Insurance Corporation just where they are now in reference to collecting information from the banks for the purpose of supervising them. It does not affect the right of the Treasury or the Bureau of the Budget, if it is determined that for statistical purposes some other agency may collect that information. But we must not lose sight of the fact that the supervisory capacity of the banks is vested under the law in the Federal Reserve System and in the F. D. I. C. They are the responsible agencies.

They are the ones who supervise the banks, and to take away from them the power of securing this information is just simply ridiculous; it will not do at all. I am satisfied it is simply an oversight on the part of those who framed this legislation. I say, frankly, I do not think there was any intention to do that, but that is exactly what the bill does and for that reason, unless this amendment is agreed to, I shall have to object to the consideration of the bill, because it is a matter that goes to the very foundations of the supervisory system of the banks of this country through the Federal Reserve System and the F. D. I. C., the ones charged with that responsibility.

Mr. DEWEY. I would like to ask my colleague if there are any clauses in the law with respect to these examining authorities extending to the F. D. I. C. and the Federal Reserve banks so that there would be any fines or punishments with respect to information collected by them and improperly disclosed.

Mr. WILLIAMS. I think so. I do not have the particular section in mind, but I think there is a very severe penalty.

Mr. DEWEY. I think there is too. Would it not be advisable to apply those same penalties to the unlawful divulging of information by one agency for personal use or profit? I think this might also go into the forefront of subsection (e) of the bill I have in my hand, which is S. 1666, and provide penalties for the misuse of information given by one agency to another. I think that would probably satisfy the objection that my colleague from Ohio has raised that there are a great many accusations that information is improperly used. If we put in the same penalty that applies to bank examiners and others of that nature, I think that might aid the situation.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman.

Mr. WHITTINGTON. I would just like to make this statement. As was disclosed in the debates in the other body, this is not a comprehensive bill. It does not authorize the disclosure of any secret information now prohibited by law. It is not the purpose of this bill

to give information. The purpose of this bill is to curtail the enormous unnecessary expense to which little business and big business are being put. There is no enlargement of power whatsoever under existing law with respect to any information being given by one agency to another. The amendment of the committee goes to the extent of authorizing the utilization of information furnished to one agency by another insofar as that is practicable and, certainly, that means not in violation of the law.

Mr. DEWEY. I agree with the gentleman, but I would like to draw his attention to the fact that the amendment of the gentleman from Missouri [Mr. WILLIAMS] proves the fact that this bill could not have been thought completely through or they certainly would not have eliminated the examining powers of two of the chief examining agencies.

Mr. WHITTINGTON. If the gentleman will yield, this bill was considered and every witness that desired to be heard was heard, and in all fairness and in all candor there were representatives of the two agencies, or at least one of them, mentioned in the amendment of the gentleman from Missouri in attendance before the committee and none of them asked to be heard. Every person who desired to be heard was heard by the committee.

Mr. DEWEY. I would be very much surprised if the Federal Deposit Insurance Corporation or the Federal Reserve System wish to foreclose themselves from examination of the banks of the country.

Mr. WHITTINGTON. I am not authorized to speak for them, but I am saying that as far as the hearings are concerned the agencies of the Government had an opportunity to appear before the other body, this bill having been introduced, as I recall, some 3 or 4 months ago in the Senate or to be accurate on June 26, 1942. The report in the other body makes reference to the agencies that appeared, among others, the Bureau of the Budget, the Treasury Department, the Securities and Exchange Commission, the Social Security Board, the Department of Commerce, and the Department of Labor. There is nothing said about others having asked to appear before the other committee. They did not appear before the committee of the House.

Mr. FULMER. Mr. Speaker, will the gentleman yield?

Mr. DEWEY. I yield to the gentleman.

Mr. FULMER. I would like to ask the gentleman from Mississippi with respect to his attitude toward the amendment offered by my colleague from Missouri, as to whether or not that amendment is acceptable to the gentleman.

Mr. WHITTINGTON. I stated to the gentleman that I stand by the bill as reported by the committee. I further stated that if the provision with respect to the Treasury remains in the bill, and I am inclined to think it should, regardless of the debate here, I saw no good reason why the amendment proposed by the gentleman from Missouri should not be enacted.

Mr. FULMER. May I state that for many years I operated a national bank, operating under the Federal Reserve System. I want to state frankly that the amendment offered by the gentleman from Missouri is very important and the gentleman made a very fine statement indicating just why his amendment should be adopted. If the bill is passed, I hope the amendment will be incorporated in it.

Mr. WHITTINGTON. I think I have answered the gentleman by saying that I think there is merit in it.

Mr. MARTIN of Massachusetts. As I understand it, if the gentleman obtains unanimous consent, the bill will come up for amendment, and anyone can offer an amendment who may desire to do so, and may have 5 minutes to debate the same. Is that not the situation?

Mr. WHITTINGTON. Yes; that is true.

Mr. RANDOLPH. Mr. Speaker, reserving the right to object, I am heartily in favor of the provisions of this legislation. I only reserved the right to object because I felt there might not be debate on the bill. On June 29, 1942, I made certain comment in this House which I believe is pertinent to this subject. I ask unanimous consent to include it at this point in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

Mr. RANDOLPH. I desire to supplement the observation of the gentleman from Minnesota relative to the plight of the small businessmen in the country today. I believe this Congress, through its membership, is fully cognizant by communication and contact with the fact that the small businessman, over the period of recent years has increasingly come in contact with the Federal agencies of government by way of filling out complicated forms which it is necessary for him to fill out under certain of the laws now operative. He is fearful in these days that he will be faced with an added burden of filling out, and I believe your committee brought out this information, a form A which has 14 pages of answers he has to make, and another form B of 6 or 7 pages. In other words, I think he is frightened by the very mechanics of the Office of Price Administration procedure in this matter.

The small businessman I know in my district, as throughout the Nation, is fully desirous of cooperating in every way for the successful prosecution of the war, but he does at times, and I believe rightly so, fear that from Washington there is such a prying and a prodding into the business he undertakes to carry forward successfully for himself, and a small group that in this particular he wants to be sure that the information is vitally necessary to the successful prosecution of the war. We should seek to help him, not harass him.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. CASE of South Dakota. Reserving the right to object, what does the gentleman think of having a proviso on page 4 at the end of the proviso to read as follows:

Provided further, That the Treasury Department shall not make available to other agencies information obtained from income-tax returns.

Mr. WHITTINGTON. I do not think they would have the power to do it in the first place. I think that would be the law as it now exists. I stated that I stand for the bill, but if there be any doubt in the minds of a single Member of the House, I see no objection to that language.

Mr. WILLIAMS. As I understand, the gentleman has no objection to my amendment?

Mr. WHITTINGTON. I have said that personally I have not.

The SPEAKER. The Chair will state that the gentleman from Massachusetts [Mr. MARTIN] answered a great many of the inquiries. If unanimous consent is given, this bill will be read for amendment and any Member of the House may offer any amendment that is germane. The Chair will hold that now.

Is there objection to the request of the gentleman from Mississippi?

Mr. COOPER. Mr. Speaker, reserving the right to object, as I understood the request of the gentleman from Mississippi it was for the immediate consideration of the bill. I assume he wants to couple with that the request to consider the bill in the House as in Committee of the Whole?

The SPEAKER. The Chair is under the impression that if the request of the gentleman is granted, it would be automatic that the bill would be considered in the House as in Committee of the Whole.

Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "Federal Reports Act of 1942."

SEC. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

SEC. 3. (a) With a view to carrying out the policy of this act, the Director of the Bureau of the Budget (hereinafter referred to as the "Director") is directed from time to time (1) to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons.

(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies

concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

(e) For the purposes of this act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: *Provided, however,* That the provisions of this act shall apply to the Treasury Department only to the extent that the Secretary of the Treasury may determine that compliance therewith will not interfere with the proper administration of the functions and duties imposed upon that Department by law.

SEC. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

(b) Information obtained by a Federal agency from any person or persons may pursuant to this act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by

the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

SEC. 5. No Federal agency shall conduct or sponsor the collection of information, upon identical items, from 10 or more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection—

(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

(b) The Director shall have stated that he does not disapprove the proposed collection of information.

SEC. 6. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

SEC. 7. As used in this act—

(a) The term "Federal agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

(b) The term "person" means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

(c) The term "information" means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from 10 or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

SEC. 8. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act.

With the following committee amendment:

Page 2, line 15, strike out the word "and."

The committee amendment was agreed to.

The Clerk read as follows:

Page 2, line 19, after the word "persons" change the period to a comma and insert the following: "and utilizing, as far as practicable, the continuing organization, files, and information and existing facilities of the established Federal establishments and agencies."

Mr. WHITTINGTON. Mr. Speaker, as I have already stated, this committee amendment is in the identical language of the so-called La Follette amendment proposed on the floor of the other body when this bill was under consideration, and unanimously agreed to by the sponsors of the bill, and recommended by that committee.

The committee amendment was agreed to.

The Clerk read as follows:

Committee amendment: Page 6, line 18, after the word "include", insert "the General Accounting Office nor."

Mr. COX. Mr. Speaker, I ask for recognition for 1 minute. In all the discussion that we have heard this morning not one Member has raised objections to this amendment offered by the committee. This is significant and the reason for it perfectly apparent. It is a very great compliment to a very great American, a former associate of ours in this body, Hon. Lindsay Warren.

Mr. WHITTINGTON. Mr. Speaker, with respect to this amendment it was the view of the committee, and there was no dissent, that the terms of this bill should not apply to the General Accounting Office. The General Accounting Office is one agency of the Government that is really the agent of the Congress. That agency is called upon to audit claims against the Government. There has not been any complaint, as far as I have been able to ascertain, from a single citizen, big business or little business, as to any information that has been requested by the General Accounting Office, to enable the General Accounting Office to pass on any claim against the Government, be that claim large or small. It was the unanimous opinion of the committee that the General Accounting Office should be eliminated, and not included within the terms of the bill.

I trust the committee amendment will be adopted.

The committee amendment was agreed to.

Mr. WILLIAMS. Mr. Speaker, I offer an amendment which I have sent to the desk.

The Clerk read as follows:

Amendment offered by Mr. WILLIAMS: At the end of section 3 change the period to a colon and add the following: "Provided further, That the provisions of this act shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity."

Mr. WHITTINGTON. Mr. Speaker, as I have already stated in answer to the inquiries of the gentleman from Missouri [Mr. WILLIAMS], while this amendment was not passed upon by the committee and while it was not brought to the attention of the committee inasmuch as the supervision of the Comptroller of the Currency of the national banking system is exempt under the terms of the bill, I personally do not know of any reason why the amendment should not be adopted.

Mr. WILLIAMS. Mr. Speaker, I have already discussed the amendment.

The SPEAKER. The question is on the amendment offered by the gentleman from Missouri.

The amendment was agreed to.

Mr. BROWN of Ohio and Mr. HOFFMAN rose.

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: On page 4, line 17, after the word "law", strike out the period, insert a colon and the following: "Provided further, That the Treasury Department shall not make available to other agencies information obtained from income-tax returns."

Mr. HOFFMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Would not an amendment to section 3, on page 2, offered by a member of the committee have precedence when the amendment is on the Clerk's desk?

The SPEAKER. If the amendment were germane and if the member sought recognition.

Mr. HOFFMAN. I sought recognition, Mr. Speaker.

The SPEAKER. The Chair did not know that the gentleman had an amendment on the desk. The Chair has recognized the gentleman from Ohio. The Chair will next recognize the gentleman from Michigan.

Mr. WHITTINGTON. Mr. Speaker, if the Chair will permit, as I understand, the amendment to be offered by the gentleman from Michigan should come after we dispose of these perfecting amendments, because his amendment is in the nature of striking out the section to which the perfecting amendments are offered.

The SPEAKER. The Chair recognizes the gentleman from Ohio [Mr. BROWN], in support of his amendment.

Mr. BROWN of Ohio. Mr. Speaker—

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. WHITTINGTON. Let me suggest a purely clerical modification that should be made to the gentleman's amendment that it be inserted at the conclusion of the amendment just adopted rather than at the conclusion of section 3.

Mr. BROWN of Ohio. Mr. Speaker, I will accept the modification.

The SPEAKER. The Clerk will report the modified amendment.

The Clerk read as follows:

Amendment offered by Mr. BROWN of Ohio: At the end of the Williams amendment, change the period to a colon and insert the following: "Provided further, That the Treasury Department shall not make available to other agencies information obtained from income-tax returns."

Mr. WHITTINGTON. Mr. Speaker, I may say to the gentleman from Ohio that while, of course, I cannot speak for the committee as a whole, so far as I personally am concerned, I see no objection to the substance of the amendment, for there is no intention in this bill to permit the disclosure of the contents of income-tax returns.

Mr. BROWN of Ohio. Mr. Speaker, this amendment simply provides that the Secretary of the Treasury shall not furnish information taken from income-tax returns to any agency whether or not

directed so to do by the Director of the Budget.

Mr. COOPER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. COOPER. I assume that the gentleman's amendment certainly is not intended to relate to Congress or to committees of Congress.

Mr. BROWN of Ohio. No; it applies only to the departments and agencies covered by this legislation.

Mr. COOPER. Certainly the Ways and Means Committee of the House and the Finance Committee of the Senate and the Joint Committee on Internal Revenue Taxation not only have the right but have the responsibility of considering information taken from income-tax returns and formulating revenue legislation based thereon.

Mr. BROWN of Ohio. As I understand it, that is not definite and detailed information. The gentleman knows, of course, that the Congress is not considered a Federal agency.

Mr. COOPER. So that the gentleman's amendment would not have any effect on Congress or any committee of Congress.

Mr. BROWN of Ohio. That is my understanding.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CASE of South Dakota. The first part of the paragraph to which the gentleman's amendment relates carries the phrase: "For the purposes of this act." It seems to me that this would give added protection to the Congress in the point raised by the gentleman from Tennessee.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. WHITTINGTON. As I understood the reading of the gentleman's amendment, it merely provided that information now prohibited by law should not be given; in other words, it contains nothing that would interfere with the functions of the committee of the House.

Mr. BROWN of Ohio. That is correct.

The SPEAKER. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. HOFFMAN. I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: Page 4, line 12, after the word "agencies" strike out the colon, insert a period, and strike out the balance of line 12 and all of lines 13, 14, 15, 16, and 17.

(Mr. HOFFMAN asked and was given permission to revise and extend his own remarks.)

Mr. HOFFMAN. Mr. Speaker, may I have the attention of the chairman of the committee?

It was my understanding that while I was on my feet before that while the chairman would not accept this amendment he was not going to feel too deeply grieved if it was adopted. It developed in the hearings before the committee that these other departments, if the

Treasury Department was exempted, would be in asking exemption. Beyond any question, if you exempt the Treasury Department your action is going to be cited as a precedent and all the rest of these departments are coming up here and are going to say: "Now, listen, you did this for the Treasury Department; they do not have to comply with the directions of the Director of the Budget, or his requests, so why should we?"

I do not know of any Member of this House who does not respect and have confidence in the ability and the integrity of the Director of the Budget.

The objectives of this legislation are two: First, to reduce the burden on the individual businessman, of all those who are called to make reports; and, second, to reduce Government expense. To do that we must have someone we can put a finger upon. We have that man there and we trust him, a man who is able. Why do you not let him assume the responsibility and do the job we all know he will do? Why exempt the Treasury Department? I have a notion that the chairman of the committee and other Members who would like to do that very thing, but these departments and bureaus come up here and ask something of us and we get a little bit soft and we say: "Well, let us exempt this one, that one, and the other one."

Am I about right about that?

Mr. WHITTINGTON. In response to the gentleman's inquiry, may I say that I am in sympathy generally with the position the gentleman has taken, to wit, that the agencies of the Government should not be exempt from the provisions of this bill, and I will further state, in response to the gentleman's direct inquiry with respect to the Treasury, that so far as I am personally concerned, and not speaking for the committee, if the amendment proposed by the gentleman from Missouri [Mr. WILLIAMS] had not been adopted I see no reason why the Treasury exemption should remain in the bill. Since my statement to the gentleman was made, in all fairness, because I am in sympathy with the gentleman's position, his amendment should be modified.

Mr. HOFFMAN. Yes, I know the position the gentlemen have jockeyed me into by getting the previous amendments adopted. The gentleman said awhile ago he would rather have a bill without that exemption in there than not have any at all. Now think that one over.

Mr. WHITTINGTON. The amendment proposed by the gentleman from Missouri and the amendment proposed by the gentleman from Ohio having to do with the exemption of banks and with the disclosure of income returns, have been adopted. Your amendment, which merely strikes out the first proviso ought to in good faith, if you are not providing for exempting any, strike out the two amendments already adopted. Since the Treasury provision has been perfected all three provisos should be stricken out rather than the Treasury exemption.

Mr. HOFFMAN. I would like to strike it all out. When I was talking down here awhile ago, if I understood the gen-

tleman correctly, and I think I understand the English language, he said that the amendment I had in mind if adopted would make it unnecessary for the amendment of the gentleman from Missouri.

Mr. WHITTINGTON. That is right, assuming that the gentleman's amendment had been adopted before the amendment of the gentleman from Missouri had been agreed to.

Mr. HOFFMAN. Now the gentleman turns around and he gets those two amendments in in order to get this amendment of mine out on a limb.

Mr. WHITTINGTON. Let there be no misunderstanding, I stated that if your motion to strike out the Treasury was adopted there would be no occasion for adoption of the other two provisos, and I stand on that; but under the rules of the House, the two amendments were perfecting amendments, and a point of order against them could not be made. Now then, to carry out that proposition, if the gentleman insists upon striking out the Treasury, I respectfully suggest that he ought to strike out the amendments or provisos proposed by the gentleman from Missouri and the gentleman from Ohio, and previously agreed to.

Mr. HOFFMAN. I suggest that the gentleman offer an additional amendment because I intend to insist on that amendment and ask for a quorum vote on it.

Mr. WHITTINGTON. I would prefer that he perfect his own amendment.

Mr. HOFFMAN. If we had gone along in the regular way my amendment would not have needed any perfection. If it needs perfection now, I will get it back from the Clerk's desk.

Mr. WHITTINGTON. I suggest you do that and amend it.

The SPEAKER. Is there any further discussion on the amendment offered by the gentleman from Michigan?

Mr. HOFFMAN. Mr. Speaker, I would like time to perfect this amendment, if I may.

The SPEAKER. Will the gentleman withdraw his amendment for the time being?

Mr. HOFFMAN. Yes, Mr. Speaker.

Mr. SMITH of Virginia. Mr. Speaker, I offer an amendment which I send to the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Virginia: After line 11, page 7, insert a new section 8 as follows:

"Any person failing to furnish information required by any such agency shall be subject to such penalties as are specifically prescribed by law and no other penalty shall be imposed, either by way of fine, or imprisonment, or by the withdrawal or denial of any right, privilege, priority, allotment, or immunity, afforded to any other person."

Mr. SMITH of Virginia. Mr. Speaker, I think the amendment speaks for itself. The people have become utterly confused with what the law is as to penalties, and why, and how, and for what reason a man may be put in jail or fined today for violations of regulations issued by various and sundry executive agencies of the Government, and the average cit-

izen does not know what the penalty is for the violation of any regulation. It does seem to me, in fairness to our citizens, that we should put a limitation on the right of these agencies to prescribe particular criminal penalties or penalties of any kind, outside of those prescribed by the Congress, for the violation or for the failure to file replies to these questionnaires. For instance, we see in the papers that Mr. Henderson is going to take the gasoline away from us if we happen to get caught driving over 35 miles an hour. We have to file a registration of our automobile tires. What is going to happen to us if we do not do that? I had a recent experience in reference to getting these numbers off of an automobile tire; and if you gentlemen have not done it yet, I will tell you how it is done. You go out in the dark of the moon with a flashlight, you crawl underneath your automobile, and try to find the numbers. You may or may not find those numbers. What they are going to do with the numbers after they get them I do not know.

But what I want to know by this amendment is what they are going to be able to do to me, without authority of an Act of Congress, if I fail to take my flashlight and crawl under my automobile.

The same thing pertains to whether you shall have any oil to heat your house this winter. They send you a questionnaire equivalent to such a questionnaire as you would have to use to file your income tax return. You have to get a ruler and you have to know something about algebra and geometry, and figure out the square feet in your house. If you do not happen to do that or if you do not do it right, what can that agency do to you by way of penalty? I want to fix it in this law so that they cannot do anything to me except what the law prescribes.

Mr. LUTHER A. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Texas.

Mr. LUTHER A. JOHNSON. I am in sympathy with what I think the gentleman is trying to do, but I wonder just what effect his amendment will have, if adopted, as to penalties. I want to know what penalties, if any, will be inflicted on these people.

Mr. SMITH of Virginia. The penalties Congress has prescribed by law under the Constitution. Those are the only penalties that ought to be inflicted on any person under any circumstances.

Mr. HOFFMAN. It is printed on most of the blanks \$10,000 and 5 years.

Mr. SMITH of Virginia. Yes, but then they take away certain privileges, and you may lose your priorities or your right to buy some gasoline or an automobile or some tires. That is what I am trying to get at.

Mr. HOFFMAN. Those are in addition to the ones I mentioned.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. Do I correctly understand that the gentleman proposes to insert his amendment as a new paragraph following section 7, to be numbered section 8, thus: section 8 to section 9?

Mr. SMITH of Virginia. Yes.

Mr. WHITTINGTON. If I further understand correctly, it is the purpose of the gentleman's amendment to make clear that no agency of the Government has a right to impose any penalty unless that agency is by law authorized to impose the penalty?

Mr. SMITH of Virginia. Unless Congress has said that it shall impose it.

Mr. WHITTINGTON. That is what I said, unless prescribed by law.

Miss SUMNER of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield to the gentleman from Illinois.

Miss SUMNER of Illinois. As I recall, the price control law authorized Henderson's organization to impose penalties.

Mr. WHITTINGTON. Then this amendment will not be applicable. The penalty has to be authorized by law.

The SPEAKER pro tempore (Mr. THOMASON). The question is on the amendment offered by the gentleman from Virginia.

The amendment was agreed to.

Mr. HOFFMAN. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOFFMAN: On page 4, line 12, after the word "agencies," strike out the colon, insert a period, and strike out the balance of the paragraph as amended.

The SPEAKER pro tempore. The question is on the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. ROBSION of Kentucky. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: On page 4, line 17, after the word "law" strike out the period and insert a colon and the following proviso: "Provided further, That the provisions of this act shall not apply to any information now required by law to be given or required by law to be held."

Mr. WHITTINGTON. "Be withheld."

Mr. ROBSION of Kentucky. "Be withheld," yes.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. ROBSION of Kentucky. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. I would say that the proviso the gentleman undertakes to amend has been stricken from the bill. Inasmuch as there is no exception under the terms of the bill, with all deference I see no occasion now for the gentleman's amendment. There might have been some reason for it if the proviso had remained in the bill, but that proviso having been stricken, there is no occasion for it now, as I see it.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to amend the amendment offered by me and instead of line 17, make it line 13.

Mr. WHITTINGTON. Changing the number of the line from one figure to

another will not help the amendment because the whole thing has been stricken. Instead of saying "further provided," the amendment should state "Provided, however."

Mr. SMITH of Ohio. Mr. Speaker, may we have the amendment again read?

The Clerk read as follows:

Amendment offered by Mr. ROBSION of Kentucky: On page 4, line 3, strike out the period, insert a colon and the following proviso: "Provided, That the provisions of this act shall not apply to any information now required by law to be given or required by law to be withheld."

[Mr. ROBSION of Kentucky addressed the House. His remarks will appear hereafter in the Appendix.]

Mr. SMITH of Ohio. Mr. Speaker, I rise in support of the amendment and I ask unanimous consent to revise and extend my remarks with reference to the discussion of this measure.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Speaker, if this amendment is adopted, and it should be, I will, of course, withdraw mine because it covers my amendment and properly goes a little further.

I think the points which the gentleman from Kentucky made are apropos to this measure. We might, by the passage of this bill, abrogate a great many statutes passed by this Congress with reference to information that is to be collected by the various government agencies and it is that point that I think we should be very careful about. We should be careful not to delegate a great amount of power which would otherwise be delegated to the Director of the Bureau of the Budget. I think the amendment is proper and by all means should be adopted.

Mr. WHITTINGTON. Mr. Speaker, I have just this to say with respect to the amendment. There is no language in this bill which authorizes the elimination of any information required by law or that provides for the giving of any information or the making public of any information that is prohibited by law. The purpose of this bill is to prevent an agency from requiring information from the citizen, the little businessman or the large businessman, that he has already furnished another agency for the use of that agency and for the use of any other Government agency.

Let me remind both of the gentlemen who have just spoken that for the purposes of this bill the Director of the Budget is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of the enactment of this bill and all such agencies are directed to cooperate to the fullest extent practicable at all times in making all information available to such agencies. In other words, this provision is only applicable to information that may be furnished without the violation of any law and its sole purpose is to prevent unnecessary burden or expense to the citizen. If the Office of Price Ad-

ministration requires information and the War Production Board needs similar information or the Department of Agriculture needs similar information, the citizen would be relieved from filing three separate reports giving to three separate institutions from time to time the same information. There is no reason on earth why that information furnished to one agency of the Government as authorized by law should not be made available to the other agencies of the Government. With all deference, there is no provision in this bill that authorizes any citizen not to give or relieves any citizen from giving, information that he is required to give by law; neither is there any authorization here to require any information that is prohibited or withheld by law. It deals only with information that the Federal agencies may require within the law, and in order to provide for economy and efficiency, it relieves duplication of the information that is permitted under existing law. It does strike me that the bill is clear and plain. There is no occasion for the language proposed in the amendment. Frankly, I do not want any citizen to be compelled to give any information that he ought not to give to his Government. This bill does not require him to do that. On the contrary, it relieves him from giving not once but a number of times information that the different agencies may require.

Mr. ROBSION of Kentucky. Mr. Speaker, will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. ROBSION of Kentucky. The language is very broad, if the gentleman will observe, "for the purpose of this act the Director is authorized to require any Federal agency to make available to any other Federal agency any information"

Mr. WHITTINGTON. That is right.

Mr. ROBSION of Kentucky. Which it has obtained from any person after the date of the enactment of this act.

Mr. WHITTINGTON. As provided and as contemplated by the bill.

Mr. ROBSION of Kentucky. This simply clarifies the whole situation so that they cannot hamstring the agencies of the Government that have been authorized by the Congress to give certain information; neither can any agency which has been prevented from giving out any information. I think it should be adopted.

Mr. SMITH of Ohio. Will the gentleman yield?

Mr. WHITTINGTON. I yield.

Mr. SMITH of Ohio. The gentleman then admits that this amendment, at its worst, is harmless.

Mr. WHITTINGTON. Absolutely. There is no occasion to write or repeat what is law already, because if we did that we would have to do it on every bill we pass. The amendment is without merit.

The SPEAKER pro tempore (Mr. THOMASON). The question is on the amendment offered by the gentleman from Kentucky [Mr. ROBSION].

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third

time, and passed, and a motion to reconsider was laid on the table.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to substitute a similar pending bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing reports and information to governmental agencies.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. WHITTINGTON. Mr. Speaker, I move to strike out all after the enacting clause in the bill S. 1666 and substitute therefor the provisions of H. R. 7756, as amended, which has just been passed.

The motion was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER pro tempore. Without objection the proceedings by which the bill H. R. 7756 was passed are vacated, and the bill laid on the table.

There was no objection.

DISPLAY AND USE OF THE FLAG OF THE UNITED STATES OF AMERICA

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the resolution (H. J. Res. 359) to amend Public Law 623, Seventy-seventh Congress, entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," with a committee amendment.

The Clerk read the title of the House joint resolution.

The SPEAKER pro tempore (Mr. THOMASON). Is there objection to the request of the gentleman from Nebraska?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the gentleman from Nebraska tell us what changes are made by this legislation?

Mr. McLAUGHLIN. The changes are in the nature of perfecting amendments to the existing law.

One amendment is with respect to the manner of displaying the flag when it is not flown from a staff. It is pointed out that it should be displayed flat, whether indoors or outdoors, or so suspended that it will fall free, as though the flag were staffed. Another amendment has to do with the manner of saluting the flag.

Most of the others are changes as to wording. For instance, the word "lowering" is substituted for "hauling."

Mr. MARTIN of Massachusetts. Who requested this legislation?

Mr. McLAUGHLIN. As the gentleman will remember, this original legislation was introduced by our distinguished colleague the gentleman from Alabama [Mr. HOBBS] and was sponsored by a large number of patriotic organizations, including the American Legion, the Veterans of Foreign Wars, and the Disabled American Veterans, for the purpose of

codifying the rules and customs pertaining to the display and use of the flag.

Mr. MARTIN of Massachusetts. And have those same organizations approved the changes?

Mr. McLAUGHLIN. The same organizations which sponsored the bill are now urging these changes.

Mr. MARTIN of Massachusetts. And this is a unanimous report from your committee?

Mr. McLAUGHLIN. It is a unanimous report from the Committee on the Judiciary.

Mr. MICHENER. Mr. Speaker, reserving the right to object, and I am not going to object, but I do call attention to the fact—as I suggested in committee—that we should be paying more attention to the flag and not wasting time at this hour in writing rules and regulations as to how we are to hang the flag and how we are to salute it and what will happen to us if we do not act as directed.

This flag legislation has been before the Congress as long as I have been a Member. The Judiciary Committee had a bill for years and years. These patriotic organizations as a rule endorse any flag bill offered. For instance, take the Jenks bill. I think most of the Members are familiar with it. The committee held extensive hearings and when we finally analyzed it it provided among other things that there must be displayed from the highest point of every building owned or occupied by the Government between sunrise and sunset of each day the American flag. That would, for instance, put a flag on top of the emblem on top of the dome of the Capitol. It would put a flag on every latrine in every military camp in the country, on the highest point of every building throughout the country where post offices were located—that is, fourth-class post offices. There would have to be somebody to haul it up and haul it down. I notice we are changing the words to "lower" and "raise." The flag means much to all of our people. Too much attention should not be given to the technical manner of expressing our affection and respect for our national emblem. We want substance and not regulated form.

Mr. McLAUGHLIN. Mr. Speaker, I am in substantial agreement with much of what the gentleman from Michigan has said. However, I cannot agree that the patriotic organizations which endorsed the original Hobbs bill and the amendments in this bill as a rule endorse any flag bill offered. The gentleman refers to the Jenks bill. Of course, the Jenks bill is an entirely different type of bill and did not have the approval of the Committee on the Judiciary nor did it have the approval of the same patriotic organizations which have approved this measure. A discussion of the Jenks bill is not at all pertinent at this time.

Mr. ROBSION of Kentucky. Will the gentleman yield?

Mr. McLAUGHLIN. I yield.

Mr. ROBSION of Kentucky. These minor changes and amendments make it easier to display the American flag, do they not?

Mr. McLAUGHLIN. Certainly. The minor amendments are simply perfecting amendments.

Further responding to the gentleman from Michigan I would say that some of the remarks he has just made might have been pertinent at the time the committee considered the original Hobbs bill, which was passed; but I do not recall that the gentleman made any such remarks at that time. This, however, is a bill designed to perfect the Hobbs bill, and has the approval of the same group of organizations which approved the Hobbs bill.

Mr. ROBSION of Kentucky. Is there any penalty or is it made a violation if you do not hang the flag exactly as prescribed?

Mr. McLAUGHLIN. There is no penalty in this bill and there is no penalty in the law which this bill purposes to amend.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

Resolved, etc., That Public Law 623, Seventy-seventh Congress, entitled "Joint resolution to codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America," be, and the same is hereby, amended as follows:

1. Change the first sentence of section 3 (i) so that it shall read as follows:

"When the flag is displayed otherwise than by being flown from a staff, it should be displayed flat, whether indoors or out, or so suspended that its folds fall as free as though the flag were staffed."

2. In section 3 (m) strike out the word "hauling" and insert in lieu thereof the word "lowering."

3. In section 5 strike out the words "right hand" and insert in lieu thereof the word "military."

4. In section 5, after the words "men without hats", strike out the words "merely stand at attention" and insert in lieu thereof "should salute in the same manner. Aliens should stand at attention."

5. In section 6 strike out the words "the salute to the flag should be given" and insert in lieu thereof "all present should face the flag and salute."

6. In section 7, after the word "heart", change the semicolon into a period and strike out the words "extending the right hand, palm upward, toward the flag at the words 'to the flag' and holding this position until the end, when the hand drops to the side."

With the following committee amendments:

Page 2, strike out all of lines 7 and 8 and insert in lieu thereof the following:

"3. In section 5 strike out the words 'right hand' where it first appears and insert in lieu thereof the word 'military.'"

Page 2, line 23, add a new section as follows:

"7. In section 2 (d) strike out 'Thanksgiving Day, last Thursday in November;' and insert in lieu thereof 'Thanksgiving Day, fourth Thursday of November.'"

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.



a statement entitled "Win the Peace While Winning the War," by A. D. Quaintance, of Denver, Colo., which appears in the Appendix.]

SETTLEMENT OF CLAIMS AGAINST MEXICO—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 2528) to provide for the settlement of certain claims of the Government of the United States on behalf of American nationals against the Government of Mexico.

Mr. CLARK of Missouri obtained the floor.

Mr. CLARK of Idaho. Will the Senator yield?

The ACTING PRESIDENT pro tempore. The question is on the motion—

Mr. CLARK of Missouri. I suggest the absence of a quorum, before the question is stated. Business has been transacted since the last call.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

| | | |
|--------------|-----------------|---------------|
| Aiken | Gillette | O'Mahoney |
| Andrews | Green | Radcliffe |
| Austin | Guffey | Reed |
| Bailey | Gurney | Russell |
| Barbour | Herring | Schwartz |
| Barkley | Hill | Scrugham |
| Brewster | Johnson, Calif. | Shipstead |
| Brooks | Johnson, Colo. | Shott |
| Brown | Langer | Spencer |
| Bulow | Lee | Stewart |
| Burton | Lodge | Thomas, Idaho |
| Byrd | Lucas | Thomas, Okla. |
| Capper | McCarran | Tobey |
| Caraway | McNary | Tunnell |
| Chavez | Maloney | Vandenberg |
| Clark, Idaho | Maybank | Van Nuys |
| Clark, Mo. | Mead | Wagner |
| Connally | Millikin | Walsh |
| Danaher | Murdock | Wheeler |
| Davis | Murray | White |
| Doxey | Nelson | Wiley |
| Ellender | Nye | Willis |
| Gerry | O'Daniel | |

The PRESIDING OFFICER (Mr. SPENCER in the chair). Sixty-eight Senators having answered to their names, a quorum is present.

Mr. LUCAS obtained the floor.

Mr. BARBOUR. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from New Jersey.

SENATOR FROM NEW JERSEY—CREDENTIALS

Mr. BARBOUR. I send to the desk the credentials of the newly elected Senator from New Jersey, ALBERT W. HAWKES, and ask that they be read.

The PRESIDING OFFICER. The clerk will read.

The legislative clerk read as follows:

STATE OF NEW JERSEY—CERTIFICATE OF ELECTION

TO THE PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify, that on November 3, 1942, ALBERT W. HAWKES was duly chosen by the qualified electors of the State of New Jersey a Senator from the said State, to represent the said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1943.

In testimony whereof, the great seal of the State is hereunto affixed.

Witness the hand of His Excellency our Gov. Charles Edison, at Trenton, this 1st day of December A. D. 1942.

CHARLES EDISON, Governor.

By the Governor:

Attest:

[SEAL]

J. A. BROPHY,
Secretary of State.

The PRESIDING OFFICER. The credentials will be placed on file.

Mr. WAGNER. Mr. President, will the Senator from Illinois yield to me in order that I may place certain matters in the Appendix?

Mr. LUCAS. I yield.

[The matters ordered printed on request of Mr. WAGNER appear in the Appendix.]

Mr. HILL. Mr. President, will the Senator from Illinois yield to me so that I may place certain matters in the Appendix?

Mr. LUCAS. I yield for that purpose.

[The matters ordered printed on request of Mr. HILL appear in the Appendix.]

COORDINATION OF FEDERAL REPORTING SERVICES

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MURRAY. I ask that the Chair lay before the Senate a message from the House of Representatives with respect to Senate bill 1666.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

Mr. MURRAY. I move that the Senate disagree to the amendment of the House, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDING OFFICER. The question is on the motion of the Senator from Montana.

The motion was agreed to.

Mr. CLARK of Missouri. I suggest the absence of a quorum.

Mr. CONNALLY. Mr. President, I make the point of order that the Senator from Missouri cannot take the Senator from Illinois [Mr. LUCAS] off the floor.

Mr. CLARK of Missouri. Business has been transacted. The motion made by the Senator from Montana [Mr. MURRAY] was agreed to.

Mr. CONNALLY. The Senator from Montana has not claimed the floor, and he is not entitled to the floor after the motion has been disposed of.

The PRESIDING OFFICER. The Chair has the right to appoint the conferees under the motion just agreed to. The Chair appoints as conferees on the part of the Senate on Senate bill 1666 the Senator from Montana [Mr. MURRAY], the Senator from Louisiana [Mr. ELLENDER], the Senator from Wyoming [Mr. SCHWARTZ], the Senator from Ohio [Mr. TAFI], and the Senator from Vermont [Mr. AIKEN].

Mr. CLARK of Missouri. I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

| | | |
|--------------|-----------------|---------------|
| Aiken | Gillette | O'Mahoney |
| Andrews | Green | Radcliffe |
| Austin | Guffey | Reed |
| Bailey | Gurney | Russell |
| Barbour | Herring | Schwartz |
| Barkley | Hill | Scrugham |
| Brewster | Johnson, Calif. | Shipstead |
| Brooks | Johnson, Colo. | Shott |
| Brown | Langer | Spencer |
| Bulow | Lee | Stewart |
| Burton | Lodge | Thomas, Idaho |
| Byrd | Lucas | Thomas, Okla. |
| Capper | McCarran | Tobey |
| Caraway | McNary | Tunnell |
| Chavez | Maloney | Vandenberg |
| Clark, Idaho | Maybank | Van Nuys |
| Clark, Mo. | Mead | Wagner |
| Connally | Millikin | Walsh |
| Danaher | Murdock | Wheeler |
| Davis | Murray | White |
| Doxey | Nelson | Wiley |
| Ellender | Nye | Willis |
| Gerry | O'Daniel | |

The PRESIDING OFFICER. Sixty-eight Senators having answered to their names, a quorum is present.

ANNIVERSARY OF ATTACK ON PEARL HARBOR

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. LUCAS. I regret that I cannot yield at this time.

Mr. President, on this anniversary of Japan's infamy, shame, and treachery, America speaks to the liberty-loving people throughout the world with superior force, justice, and conviction.

One year ago this Nation was divided in thought and action, but the sneak attack upon Pearl Harbor left America no alternative. Since that fateful hour no nation so utterly unprepared to fight on every global front has done so much in such a short period of time.

It was interesting to read the newspapers yesterday and learn from Elmer Davis that during the past year America has produced 49,000 war planes, 32,000 tanks, 17,000 anti-aircraft guns, and a total of 8,200,000 tons of merchant shipping. Mr. President, this is an example of production of guns, planes, and tanks which has no equal or parallel; and we have only begun to produce.

Mr. President, America is and always has been a peaceful nation. Following the last war we tried desperately to set up some type of international machinery which would outlaw the evil thing we call war. We were unsuccessful at that time in our attempt to do so. As a result of our determination to stay out of future wars America grew more or less soft prior to Pearl Harbor; and with a full realization of our philosophy of peace the dictators across the sea saw a golden opportunity to cash in on what seemed to be our weakness. But, Mr. President, they failed to realize the latent fighting spirit which exists in the bone and sinew of every American, especially when we are unjustifiably and unduly disturbed, as we were 1 year ago today.

In this conflict we have shown our despicable foes a brand of fighting spirit and a genius in planning which have literally caused the dictators to quake in their murderous and bloody boots; and, we have only begun to fight.

On this anniversary we proudly refer to our triumphs in the Coral Sea, at Midway, in the Solomon Islands, and on the northern coast of Africa. Only a short while ago it was said by some that the Navy was "through" in the Pacific. It was also said that we were losing the war in the Pacific, and that we had no united command. Mr. President, in the humble opinion of the Senator from Illinois, the glorious victories in the Pacific Ocean are a complete answer to those charges. How could we achieve the great victories which we have won in the Pacific if we did not have a united command, if we did not have complete cooperation between the Army, the Navy, and the Air Corps?

Mr. President, based upon the formidable record which has been made I unhesitatingly say that we are winning the war in the Pacific, and that we shall continue to win the war over the treacherous Japs.

The Monday morning quarterbacks who are attempting to outline the strategy of our war efforts in this great global conflict will, in the opinion of the Senator from Illinois, make a greater contribution to the war effort if they will use their gifted talents in trying to unify the home front of America where there seems to be confusion and chaos. Many of them are eligible to join.

With our great and glorious victories by the end of the first year of the war, under such adverse and limited circumstances, I say woe be unto Hitler and his sycophants, woe be unto Mussolini and his satellites, woe be unto Hirohito and his minions, once we are mobilized upon every front.

Mr. President, those wretches of despotism, those despoilers of the church, those murderers of innocent women and children, those blood butchers of Europe and Asia, must be thoroughly and soundly beaten if humanity and freedom are ultimately to spread their benevolent wings over the darkest of nights. This awful war was forced upon us by the Axis criminals, by those who have jeered and sneered over a period of years at the American way of life, by those who have on many occasions declared that the liberty that you and I enjoy is only a myth. Everyone knows that in order to beat the combination of Axis criminals we shall have to suffer unusual sacrifices in blood, tears, and treasure. The road will be long; but America will find the end to that road. Some day MacArthur will return to the Philippines; some day he will liberate Wainwright and his gallant group of heroic Americans and Filipino Scouts. Some day MacArthur will look at the beaches of Japan, and finally march triumphantly ahead of his men down the streets of Tokyo.

What is true of the men in the Pacific is true of General Eisenhower and his men in Africa today. Some day, Mr. President, they, too, will find the end of that road. Even though it be long and

filled with obstacles and many detours, they, along with the men of the other United Nations, will gloriously march down the streets of Rome and Berlin in complete triumph.

It was Samuel Adams, a great American Revolutionary patriot, who said:

He who has the strength to chain down the wolf is a madman if he let him loose without drawing his teeth and paring his nails.

Mr. President, when the adversaries seek to chain and enslave a free people, the tooth-and-nail doctrine expounded by that great philosopher 150 years ago must be applied to the present international outlaws if we are to have a semblance of permanent peace in the future.

So, on this first anniversary of the war, we not only remember Pearl Harbor but we also move forward to vindicate and avenge the unjustifiable attack which on a Sabbath morning was made upon the peaceful islands of Hawaii. We shall avenge every life that was lost. At this hour America pays tribute to every living soldier in every branch of the service. America remembers with deep consecration the brave and heroic boys who have died that liberty might live.

GRANT OF ADDITIONAL POWERS TO THE PRESIDENT

Mr. REED. Mr. President, today I have received a telegram from a very important flour-milling concern in Kansas. I desire to read the telegram at this time, and then shall offer a few remarks upon the subject matter. The Walnut Creek Milling Co., of Great Bend, Kans., sends me the following telegram:

The Office of Price Administration price ceilings have now completely paralyzed our business because we cannot sell flour. The Army is asking for bids on flour today, but we cannot offer because cash wheat today is 5 cents higher than when flour ceilings were established. All other mills in this territory in same position.

Mr. President, Kansas produces more wheat than does any other State. Kansas is the greatest flour-milling State. Today the Nation is threatened with a flour shortage, which means a bread shortage. The telegram I have just read is similar to numerous other telegrams which I have received from other Kansas millers. I have been visited by millers from Minneapolis, from Missouri, and from Illinois, who have told me the same story; and here and now I want to tell the Senate and the country where the trouble lies.

Last October 2 Congress passed what is known as the price-control bill or the anti-inflation bill. In that bill the Congress plainly directed that in the case of agricultural commodities no maximum or ceiling price should be fixed that did not reflect parity to the producer and allow an equitable margin to the processor. Wheat is the primary product from which flour is milled and bread is baked. The administration—I include in that term the President, the Price Administrator, the Secretary of Agriculture, and Mr. Byrnes, the Director of Economic Stabilization—those administration authorities proceeded plainly to disregard the law. They established a flour ceiling

based on 76 percent of the price of wheat. Because the price of wheat has gone up, the millers are unable to buy wheat so they can mill and sell flour, within the price ceiling fixed.

This matter has been the subject of widespread newspaper comment. I offer only a few headlines from representative newspapers, in order to call attention to the seriousness of the situation.

The Baltimore Sun of December 5 said:

United States bread shortage is seen.

In the Journal of Commerce of this morning the headline is:

Flour operations reported stopped.

From the Washington Star of Saturday evening the headline is:

Flour sales stalled as Office of Price Administration continues retail price ceilings.

The Washington Post of Saturday morning said:

Flour ceilings seen bringing bread shortage.

Mr. President, if the unlawful rulings of the price authorities continue, the country will face a bread shortage within 30 days. Flour milling operations will be closed down entirely or almost entirely within 30 days. Millers cannot continue to operate under the present circumstances. They are faced by bankruptcy if they continue operations. The people will be faced by a bread shortage if the millers discontinue operations. That is the situation I desire to lay before the Senate and the country.

Mr. President, I wish to discuss the matter from another angle. In the House of Representatives there is presently House bill 7832, which is a successor to House bill 7762. The first bill, the original version, carried a very wide delegation of authority to the President of the United States. It provided that he could set aside any law, tariff ruling, or immigration restriction. The present version is very stingy in its authority as compared with the authority provided by the original version. There is now pending in the Senate, Senate bill 2383, which is a companion measure to the original House bill.

Mr. President, I am opposed to any further extension of power to the President at this time. The President and his administrators have abused the power which has already been given them. I have described the situation very briefly. The tale in telling would bear much more attention than I have given to it, as how they have abused authority already reposed in them.

Mr. President, lest someone may say, "That is the farm-bloc point of view," let me read from an editorial appearing in the Washington Post of December 5. Of course, it is common knowledge that the Washington Post has no sympathy with the farm bloc. I shall quote only from the middle of a long editorial in which reference was made to the state of opinion and the condition of temper, if I may so say, in the Congress. It is not very good, as everyone knows. The Washington Post said, in part:

We refer to the interpretation of the recently enacted stabilization law. No matter how well turned the Attorney General's explanation, the feeling is rife that the admin-

unwarranted assertion of the power of Federal agencies over the affairs of municipalities; and be it further

Resolved, That a copy of this resolution be sent to the President of the United States, the Vice President of the United States, the Director of Economic Stabilization, and to each member of the War Labor Board, and to each Member of the Congress of the United States.

Adopted unanimously by the National Institute of Municipal Law Officers at its war conference held December 2-4, 1942, in New York City.

Government Bureaucracy

EXTENSION OF REMARKS

OF

HON. CHARLES R. ROBERTSON

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 7, 1942

Mr. ROBERTSON of North Dakota. Mr. Speaker, on this anniversary of Pearl Harbor well may we ask this serious question, Can a bureaucracy win a global war? Every commentator and every daily paper yesterday gave time and space to commemoration of this great anniversary. There was much said in approval of our attainments in the last 12 months. It is probably altogether fitting that that should have been so. It was not the time, perhaps, to point to errors. Out of all that was heard and read, we are convinced that the Nation is resolute in its determination to win the war and ready to make the sacrifices necessary, provided they are honestly informed of the need for sacrifice.

The great danger lies in the fact that the bureaucracy cannot produce honesty. Bureaucracy must first perpetuate itself, and in doing this it gives the Nation reason for concern. The people will accept their burden—the loss of life, the tax burden, and the purchase of war bonds. But they will demand in an ever-louder voice that the war be efficiently conducted, that waste be eliminated, and that honesty in the bureaucracy prevail.

I am just in receipt of a letter from an important constituent in my State of North Dakota advising me of the arrival in the city of Fargo last week of lithograph display material, to be used in the sale of war bonds. The window trimmers in the important stores of Fargo have taken a portion of the responsibility for the display of this material. Three packages of the posters arrived in Fargo. The first two came in by parcel post or express, at the usual moderate charge. The third package arrived by air express. It weighed 184 pounds, and the charges were \$95.68. True, this may seem a small matter when one considers the tremendous whole of the gigantic war effort in which the American public is now engaged. But it seems shameful that the savings of our people, be they rich or poor, should be wasted in the air express shipment of advertising material, thus guaranteeing its arrival perhaps a day earlier. Too, if this were the only air express shipment of lithograph ma-

terial, it would little affect the picture, or the impression made upon the people. But, if a city of less than 50,000 is rated sufficiently important to have such material shipped to it by air express at a cost of \$95.68, is it not reasonable to assume that a similar practice prevailed in the larger centers of the Nation, where the weight of the packages shipped would be proportionately higher? The total cost cannot be estimated.

I am presenting here the seriousness of poor management, and poor management always operates with a high expense account, and a high expense account adds to the cost of the war. Surely, some place in this country, we have men available who are trained in the conduct of large business, trained to deal carefully with the minutest detail of expense, trained to understand that each succeeding day of excessive expenditures makes inroads on profits, and loss of profits means bankruptcy, be it business or government. We have a right to expect of the bureaucracy greater efficiency. The American people cannot condone such practices as the one I have outlined, small though it be. It is only a symbol of what is occurring throughout the broad expanse of Government bureaucracy today. The people of the Nation are asked to invest their funds in a great corporation, the management of which has the audacity to ship bond-selling literature to a comparatively small community by air express—184 pounds at a cost of \$95.68. Can we win the war this way?

A Small But Willing Taxpayer

EXTENSION OF REMARKS

OF

HON. HAMPTON P. FULMER

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Monday, December 7, 1942

Mr. FULMER. Mr. Speaker, for quite some time I have been complaining and doing everything possible in the way of calling to the attention of many of the departments, and especially the various agencies connected with our war program, the lost motion, red tape, and complications in sending out printed matter, all types of rules and regulations and forms to be executed by everybody, from farmers on up, practically all of which are so complicated that it would take an expert to execute same properly.

I have just returned from my district, South Carolina, where we have just as patriotic people as can be found in any section of our country. They are willing and anxious to make every sacrifice and to do everything possible to win this war. However, many of them are coming to the conclusion that those in authority are creating so many demands, many of which are apparently useless, that they are just about ready to give up. This not only applies to farmers but to a great many business people.

I am in receipt of a letter this morning from one of my constituents enclosing a copy of an article written by her and carried in the South Carolina papers which is so timely I am inserting same herewith in my remarks:

The Government can save some money by reducing the vast amount of posters, pamphlets, diet lists that cannot possibly be followed, questionnaires, etc., which have flooded the country since the war began. Everywhere public and private wall space is papered with Uncle Sam's advertisements. In many offices can be seen piles of large, expensive posters lying idle because there is no place for them to go. Many of these are duplications; some of them are necessary, but we now have an ample supply for the duration and the Government should call a halt on this expenditure.

Also of the making of blanks there is no end. The Government should set up a school for blank makers, for, judging by those they are sending out, they were made by graduates of the school for boiler makers. The rent blank now going the rounds is a conspicuous example of this. It calls for redundant information and must be expensive, as each set contains two sheets of carbon paper—one of them inserted wrong—which could easily be eliminated. I am under the impression that carbon enters into some form of defense material and that used in the millions of sheets sent out in these blanks might be put to better use.

A SMALL BUT WILLING TAXPAYER.

Otto of Hapsburg and Other Monarchists

EXTENSION OF REMARKS

OF

HON. EMANUEL CELLER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Monday, December 7, 1942

Mr. CELLER. Mr. Speaker, under leave to extend my remarks in the Record, I include the following address delivered by me over station WOR of the Mutual Broadcasting Co. on Sunday, December 6, 1942:

The Secretary of War has authorized the formation of a Free Austrian Legion within the United States Army. This authorization has stirred up a hornet's nest among Czechs, Poles, Slavs, and other central European nationals resident in this country.

Under congressional requirements, every military regiment or battalion must be staffed by American officers and citizens.

Attempts are being made by Otto von Hapsburg, who calls himself a king and now resident here, to head this legion. At best, he is an alien visitor. He could, therefore, not become an officer to head such an outfit.

Secretary Stimson wrote Otto a letter wherein he expressed certainty that Austrian nationals of the United States would seize the opportunity to "serve our common cause" in the formation of the Free Austrian Legion. This letter has been exaggerated out of all proportion by Hapsburg politicians.

Someone apparently sold the Secretary a bill of goods about Otto. Continued reliance upon this royalist and his crowd and the Secretary will find himself "sold down the river."

Already representatives of seven nations formerly under the rule of Emperor Franz Josef and the Hapsburgs and included in the Austro-Hungarian Empire this week wired Secretaries Stimson and Hull protesting any

Hapsburg participation in the formation of an Austrian battalion in the United States Army.

Because of the stiff opposition of nationals of the former Austro-Hungarian Empire, Otto could not recruit more than a handful of men, and these only lick-spittles who expect to fawn upon him sitting on his throne.

Formation of such an adjunct to our armed forces may be creditable and might attract many recruits among the Hitler haters. All comers are welcome to volunteer as privates—even Otto von Hapsburg. But if Otto and his monarchical group think they can run the show, they have another guess coming. All they can properly do is to volunteer. Perhaps the recent Presidential order, precluding enlistments, knocks all idea of a foreign legion into a cocked hat. The War Department dare not allow this pretender to head any legion. It dare not set him up even as an official recruiting agent. I am positive also that our State Department would not espouse this fellow Otto. For any governmental department to do so would be playing with dynamite. In fact, Secretary of State Hull recently stated that the United States is too busy winning the war to bother about the political pretensions of any foreigner—including Otto.

Assuredly, no one in authority has given any promise or political commitment to Otto or even to his mother, the Empress Zita. But the shrewd crowd behind Otto and his mother seek to give the impression that our Government is giving them political recognition. Otto and his royalist cronies are deliberately misinterpreting Stimson's letter and the whole idea of a free Austrian battalion.

If they do not cease, I, as a Representative in Congress, shall "sic the dogs" on them.

As aliens or alien visitors, they had better watch their step. They may be on the verge of a violation of several of our war statutes. Some of these politicians associated with Otto might well be the subject of Federal Bureau of Investigation investigations. One or two are enemy aliens. I especially warn them.

Some state that Otto has a Belgian diplomatic passport. I am checking on this. How in thunder he can represent Belgian interests is beyond me. Of course, as an immigrant alien, he could be drafted, but as a visiting alien, here on a temporary permit or as a diplomatic agent, he cannot be drafted. Thus Otto operates at a safe distance. If he is anxious to serve the Allied cause, let him enlist in the United States Army and serve without fanfare or trumpets.

I denounce the political maneuvers and machinations of this refugee archduke, pretender to the Austro-Hungarian Empire, and his distortion of whatever laudable purposes may be involved in a "Free Austrian Legion."

This archduke also pretends to be a democrat. Before I accept him as such, he must renounce the throne, and his so-called title. Let him call himself plain Otto Hapsburg or whatever may be his real name. Democrat! Fiddlesticks, why he bestows titles and decorations on his followers, like the Order of the Golden Fleece. Recently he ordained a court chaplain. He has demanded and received oaths of allegiance from his feudal followers. And he a refugee! I charge he is simply playing a role. He is merely a smoke screen for the monarchists. Otto is primarily interested in the restoration of the Hapsburg dynasty. His very name is anathema to liberal Austrians, Czechs, Croats, Slovenes, Serbs, Yugoslavs, and Poles—our Allies in the war against the Axis. His claim to lead any legion naturally strikes terror in the hearts of the nationals of those countries who suffered immeasurably under the Hapsburg tyranny.

These Hapsburgs are betting on both sides in this war. Otto professes to be on our side, but other members of his family are fighting on Hitler's side. Among them, for example,

is Archduke Albrecht, one of the worst leaders of Hungarian terrorists' gangs in Serbia, who was rewarded by Horthy, Regent of Hungary and puppet of Hitler, with the reestablishment of the old Hapsburg crown lands in Yugoslavia. We do not forget that during the First World War, thousands and thousands of innocent Czechs were executed by Hapsburg royalists.

What will the Serbian, Gen. Draja Mihailovic, say when he hears that our War Department may be aiding Archduke Otto, would-be apostolic King of Hungary, Croatia, and Bosnia? He might well say, "What's the use of my leading the Chetniks against Hitler if all my country will eventually get is another Hapsburg Hitler?"

The Austrian Republic was the result of the destruction of the Austro-Hungarian Empire in World War No. 1. It was in line with President Wilson's important war aim—the right of self-determination of all small nations, including all those nations of the Austro-Hungarian monarchy, the peoples of which had been so ruthlessly suppressed by the Hapsburg rule.

The Czechs founded their own republic. The Poles of Galicia joined with other Poles under the yoke of the former Czar and set up the Polish Republic. The Yugoslavs of Austria joined the Croats who had lived under the Hungarian rule and, together with the valiant Serbs, founded the kingdom of Yugoslavia. The Italians, who hated the Hapsburg domination of the southern Tyrol and who ever had in mind the harsh oppression of the Italians in all northern Italy by the Hapsburg dynasty, joined Italy. The Romanians of Transylvania joined their brethren beyond the frontier. All these nations have been duly recognized and in exile are still receiving recognition by our Government. These nationals, particularly those in this country, are filled with hatred and contempt for the feudal monarchy represented by the Hapsburgs. Not so long ago, John Gunther, in an article entitled "Hapsburg Again?" published in Foreign Affairs, stated as follows:

"The recrudescence of the Hapsburg movement is a distinct reversion to a part Europe had hoped to get rid of. To brandish Otto as a stick against Hitler is like mobilizing the sixteenth century to fight the twentieth. A Hapsburg king (in 1942—date mine) in Vienna is an almost grotesque anomaly. It is a depressingly backward gesture. Let Dr. Benes have the last word: 'The World War was not waged that we might go back to former times.'"

This alien pretender to an exploded and extinct throne and his self-styled committee for the so-called liberation of Austria have announced that recruits from the Free Austria battalion will be found among the ten million Americans of Austrian descent. Let us toy with that figure for a moment. Austria has a population of only 6,000,000. To discover 10,000,000 descendants of "Austria" would be possible only if Austria would be defined as including the European states—namely, Poland, Yugoslavia, Czechoslovakia, and Hungary. That would take in all lands embraced within the old Austro-Hungarian Empire. That is exactly what these monarchists mean. Small wonder, therefore, that the governments of our Allies in exile are enraged.

The outlines of post-war central and eastern Europe have been sketched in the Atlantic Charter and more specifically in the statements and agreements of the United Nations of Poland, Czechoslovakia, Yugoslavia, and Greece. According to these agreements and the Atlantic Charter, the peoples of central and eastern Europe will undertake to unite their foreign policy, their defense and other activities in order to eliminate any possible cause of local frictions. They are firmly united to defeat Hitler and the Axis powers. But the intrigues of Otto and his

gang of would-be barons impedes that union and are the sources of irritation and friction that these central and eastern European nations seek to avoid.

New central and eastern Europe will be the work of the peoples themselves and not the result of the ambitions of a foreign dynasty resident in the United States. The scheming of Otto and his cronies is the very antithesis of the Wilsonian policy of self-determination. The Austrians do not want Otto back. Neither do the Czechs, Croats, Slovenes, Poles, or Magyars.

Shame on those social satellites and so-called "400" who are dazzled by this scion of a much-hated family. Some of his hosts are of the type that like to wear dangling swords, plumed hats, and multicolored sashes.

The question might be well asked—where does this group get its money whereby it carries on its propaganda. That might well be the subject of a very interesting investigation. Furthermore, what right have these aliens who succeeded in getting into the United States as refugees to use our soil as a political arena for their own selfish purposes?

At a time when Russia, "with blood, sweat, and tears" was holding back the Nazi hordes, these monarchists never hesitated to give expression to language most insulting to the brave and intrepid Russians. Not so long ago, this fellow Otto said: "Hungary is the strongest country in Central Europe today and will never surrender to Hitler; Hungary is definitely pro-Ally, pro-British, and not pro-Nazi." This despite the fact that Admiral Horthy has placed himself and the Hungarian Government and people under the dominance of Hitler; in spite of the fact that Hungarian armies are fighting under the Hitler banner in Russia. Otto apparently is very ignorant or gulleless. Maybe a fool's cap would fit him better than a crown.

He has actually confessed publicly that he wants to gain support here for his claims to a throne. He said, "I am absolutely sure that I am going back." His mother, Empress Zita, and his sisters and brothers want him back. At first he was concerned only as to the restoration of his throne in Austria. Later he widened his domain to include the entire former Austro-Hungarian Empire. All this despite the fact that Washington has recognized the government of Dr. Eduard Benes as a true government of Czechoslovakia and had accredited its ministers to this Government. The same with reference to Yugoslavia and Poland.

These monarchists, with Otto at the head, say that they want to "save" Yugoslavia and the Balkans. The answer to that offer came very fast in April of this year. The Croat priest Msgr. Alois Kuhor, speaking on the radio, said: "We Catholics of Yugoslavia in the hour of greatest trial feel bound to repeat openly our prayers that Almighty God may preserve us from the scourge of Hapsburgs returning as saviors."

This past week President Roosevelt received at the White House General Sikorsky, Premier of Poland, who pledged 100-percent cooperation of the Poles in our war effort. Assuredly that pledge is quite inconsistent with any restoration to power of any Hapsburg anywhere at any time.

The paid agents of Otto, and certain gullible Americans, in espousing the cause of the Hapsburgs show little appreciation of history. It is well to remind them that it was the Hapsburgs' attack on little Serbia in 1914 that, in part, brought on World War No. 1 and that the Emperor Franz Joseph and the Kaiser were the arch conspirators that started that conflagration.

It is interesting as well as shocking to know that these monarchical-intriguers are tying up the restoration of the Hapsburgs with the feeding and clothing of impoverished central and eastern Europe. In their

1828

The House joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING CHANGE IN ENROLLMENT OF BILL

Mr. DISNEY. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 39.

The Clerk read the Senate concurrent resolution (S. Con. Res. 39), as follows:

Resolved by the Senate (the House of Representatives concurring), That the Clerk of the House of Representatives be, and he is hereby, authorized and directed, in the enrollment of the bill (H. R. 7568) to discharge more effectively the obligations of the United States under certain treaties relating to the manufacture and distribution of narcotic drugs, by providing for domestic control of the production and distribution of the opium poppy and its products, and for other purposes, to make the following change, namely: In the language inserted by Senate engrossed amendment No. (2), strike out the word "of" and insert "or", so as to make the language read: "will not be met by importation or licensed production."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

Mr. MICHENER. Mr. Speaker, reserving the right to object, this is simply the correction of a clerical error?

Mr. DISNEY. Yes. It changes the word "of" to "or."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma [Mr. DISNEY]?

There was no objection.

The Senate concurrent resolution was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

ALEX GAMBLE

Mr. HARRIS of Arkansas submitted the following conference report and statement on the bill (H. R. 6410) for the relief of Alex Gamble:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6410) for the relief Alex Gamble, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate with an amendment as follows: In lieu of the figures "\$2,000," insert "\$3,500," and the Senate agree to the same.

DAN R. MCGEEHEE,

EUGENE J. KEOGH,

Managers on the part of the House.

ALLEN J. ELLENDER,

ARTHUR CAPPER,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 6410) for the relief of Alex Gamble submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the House appropriated to Alex Gamble the sum of \$4,000 for per-

sonal injuries sustained when a Work Projects Administration truck struck him on March 19, 1940. The Senate reduced the amount appropriated from \$4,000 to \$2,000, and at the conference a compromise of \$3,500 was agreed upon.

DAN R. MCGEEHEE,

EUGENE J. KEOGH,

Managers on the part of the House.

Mr. HARRIS of Arkansas. Mr. Speaker, I ask unanimous consent for the present consideration of a conference report on the bill (H. R. 6410) for the relief of Alex Gamble and that the statement of the managers on the part of the House be read in lieu of the whole report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

ESTATE OF ORION KNOX, DECEASED

Mr. HARRIS of Arkansas submitted the following conference report and statement on the bill (H. R. 4923) for the relief of the estate of Orion Knox, deceased:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4923) for the relief of the estate of Orion Knox, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate with an amendment as follows: In lieu of the figures "\$5,000," insert "\$6,300;" and the Senate agree to the same.

DAN R. MCGEEHEE,

EUGENE J. KEOGH,

Managers on the part of the House.

ALLEN J. ELLENDER,

ARTHUR CAPPER,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 4923) for the relief of the estate of Orion Knox, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying report.

The bill as passed the House appropriated the sum of \$10,634.95 to the estate of Orion Knox, as compensation for his death as a result of injuries sustained when the car he was operating was struck by a Civilian Conservation Corps truck on January 13, 1941. The Senate amended the bill by reducing the amount from \$10,634.95 to \$5,000 and, at the conference, a compromise of \$6,300 was agreed upon.

DAN R. MCGEEHEE,

EUGENE J. KEOGH,

Managers on the part of the House.

Mr. HARRIS of Arkansas. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 4923) for the relief of the estate of Orion Knox, deceased, and that the statement of the managers on the part of the House be read in lieu of the full report.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas [Mr. HARRIS]?

There was no objection.

The Clerk read the statement of the managers on the part of the House.

The conference report was agreed to. A motion to reconsider was laid on the table.

COORDINATING OF FEDERAL REPORTING SERVICES

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, with House amendments thereto, that the amendments of the House be insisted upon and that the conference requested by the Senate be agreed to.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know what this bill is going to do in reference to coordinating these agencies.

Mr. WHITTINGTON. The bill has passed the Senate and the House and I will answer the gentleman's question by saying that the debates of Friday 1 week ago on the floor of the House are the best answer to the question. I am asking that we insist on the amendments agreed to by the House and agree to the conference requested by the Senate.

Mr. RICH. We are going to get a consolidation of these bureaus?

Mr. WHITTINGTON. That is the purpose of the bill.

Mr. RICH. I hope the gentleman will stick to that then.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi [Mr. WHITTINGTON]?

There was no objection, and the Speaker appointed the following conferees on the part of the House: Messrs. WHITTINGTON, HUNTER, HART, HOFFMAN, and POWERS.

ADJOURNMENT UNTIL THURSDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

EXTENSION OF REMARKS

Mr. McLAUGHLIN. Mr. Speaker, I ask unanimous consent to extend my own remarks in the Record and to include therein an editorial from the Columbus Daily Telegram.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. WOODRUFF of Michigan. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein an article by Merlo Pusey.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to appears in the Appendix.]

PAYMENT OF INCOME TAXES

Mr. REES of Kansas. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES of Kansas. Mr. Speaker, I believe it is generally conceded that if the Federal Government expects to get nearly all the revenue required to carry the expense for the prosecution of the war, it will need a plan to collect at least a part of it as we go along.

The tax charge for this year is approximately \$25,000,000,000. It is by far the biggest in our history. More than a million new taxpayers are added to the rolls. I am advised plans for next year will increase the tax charge to thirty or thirty-five billion dollars. To collect this huge amount of money will be a tremendous job.

Mr. Speaker, this is a most important matter. Right now is a pretty good time to give the problem of putting the payment of at least a part of the income taxes on some kind of a pay-as-you-go basis.

Since taxpayers are expected to arrange to pay by the end of the year, why not pay a good share of it as they go along. The load will be less when the year is up. The Government will have the use of the funds, and there will be less burden to the Government in collection expenses. In any event, Mr. Speaker, the problem should be carefully studied by a committee of this House. The Ways and Means Committee is the one to do it. It should be done right away, so the committee can report a plan, if it sees fit to do so, soon after the first of January. If approved, it can be put into operation at the beginning of the year. If some kind of pay-as-you-go plan is not feasible, let us find it out. If we are going to have it, then it will be a whole lot more satisfactory to put it into operation at the first of the year rather than wait several months and then try to use it.

Mr. Speaker, it ought to be observed that the huge \$25,000,000,000 tax for this year, and the thirty or thirty-five billion for next year, in each case, is only approximately one-third of the amount required to meet the charges for the prosecution of the war.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent that today, following any special orders heretofore entered, I may be permitted to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEEFE. Mr. Speaker, I ask unanimous consent that on Thursday next, at the conclusion of the legislative program of the day and following any special orders heretofore entered, I may be permitted to address the House for 50 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

EXTENSION OF REMARKS

Mr. LARRABEE. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement on old age pensions and social security.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

[The matter referred to appears in the Appendix.]

(Mr. MOSER asked and was given permission to extend his own remarks in the RECORD.)

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a letter the President of the United States wrote to Montgomery Ward & Co. in regard to a decision of the National War Labor Board, and their reply thereto. This letter demanded of Montgomery Ward that they abide by the decision of the War Labor Board. It seems to me this has the effect of compelling Montgomery Ward & Co. and other employers to force their men into labor organizations, contrary to our Constitution and laws. It is too bad that conditions such as these exist in our country. I think the demand of the President is terrible. It is not justice to free America.

The SPEAKER. Is there any objection to the request of the gentleman from Pennsylvania?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to extend my own remarks in the RECORD and to include therein a statement from Time magazine.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

GOVERNMENT BOND SALES

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, on November 30 the Treasury proceeded with a program to dispose of \$9,000,000,000 of new issues. As of yesterday morning, December 7, the Treasury reported that \$2,205,000,000 have been purchased by banking sources and \$3,381,000,000 by nonbanking sources, which means that about 60 percent of these funds were received from others than banks—or nonbanking interests.

We have about \$3,500,000,000 to go on this one issue. I sincerely hope that the percentage of 60 percent from nonbanking sources can be retained in the disposition of the remaining \$3,500,000,000.

I can understand why the Treasury also announced its great concern about inflationary forces and the fact that it is now conferring with other Government agencies who are interested in curbing inflation. We can well afford to watch that situation. It is a development which concerns all of us.

[Here the gavel fell.]

THE BLUE STAR MOTHERS

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, yesterday in many of the States on the anniversary of the attack on Pearl Harbor, Governors proclaimed a Blue Star Mothers Day, which we hope will be an annual event. I think the House and the country should take cognizance of the creation of this new organization, made up of the mothers of the patriotic men and women in our armed forces. At the present time there are over 600 chapters of the Blue Star Mothers in the United States. My own State of Michigan has 78 chapters. Already over 200,000 mothers are enrolled in the 600 chapters of the Blue Star Mothers.

I think we should congratulate them upon this movement and upon the fact that in each of the communities where these chapters are located they are opening service units for their sons and the sons of other mothers. They all have our good wishes for a good many years of patriotic service to America.

QUESTION OF PERSONAL PRIVILEGE

Mr. HOFFMAN rose.

The SPEAKER. For what purpose does the gentleman from Michigan rise?

Mr. HOFFMAN. Mr. Speaker, I rise to a question of personal privilege.

The SPEAKER. The gentleman will state it.

Mr. HOFFMAN. Mr. Speaker, on page 11 of a 12-page pamphlet circulated from house to house in the Fourth Congressional District of Michigan prior to the primary election by an organization using an assumed name, among other

Dec. 10

FEDERAL REPORTS ACT OF 1942

DECEMBER 10, 1942.—Ordered to be printed

Mr. WHITTINGTON, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany S. 1666]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

That this Act may be cited as the "Federal Reports Act of 1942".

SEC. 2. *It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.*

SEC. 3. (a) *With a view to carrying out the policy of this Act, the Director of the Bureau of the Budget (hereinafter referred to as the "Director") is directed from time to time (1) to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the*

methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information and existing facilities of the established Federal departments and independent agencies.

(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

(e) For the purposes of this Act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this Act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: Provided, That the provisions of this Act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department: Provided further, That the provisions of this Act shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

SEC. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees

of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

(b) Information obtained by a Federal agency from any person or persons may, pursuant to this Act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

SEC. 5. No Federal agency shall conduct or sponsor the collection of information, upon identical items, from ten or more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection,

(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

(b) The Director shall have stated that he does not disapprove the proposed collection of information.

SEC. 6. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

SEC. 7. As used in this Act—

(a) The term "Federal agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the General Accounting Office nor the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

(b) The term "person" means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

(c) The term "information" means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from ten or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

SEC. 8. Any person failing to furnish information required by any such agency shall be subject to such penalties as are specifically prescribed by law, and no other penalty shall be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege,

priority, allotment, or immunity, except when the right, privilege, priority, allotment, or immunity, is legally conditioned on facts which would be revealed by the information requested.

SEC. 9. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

And the House agree to the same.

WILL M. WHITTINGTON,

JOHN F. HUNTER,

HENRY O. TALLE,

Managers on the part of the House.

ALLEN J. ELLENDER,

H. H. SCHWARTZ,

ROBERT A. TAFT,

GEORGE D. AIKEN,

Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate bill and the House amendment both declared it to be the policy of Congress that information needed by the various Federal agencies should be obtained with a minimum burden upon the business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government. It was also declared that all unnecessary duplication of effort in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable, and that information collected and tabulated by any Federal agency should, insofar as expedient, be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

To carry out this policy the Director of the Bureau of the Budget was directed from time to time to investigate the needs of the various Federal agencies for information, to investigate the methods used by such agencies in obtaining such information, and to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information, minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information, and existing facilities of the established Federal departments and independent agencies.

Provision was also made in both the Senate bill and the House amendment for hearing the various Federal agencies with respect to their needs for information, for designating a collecting agency to obtain necessary information for any two or more Federal agencies, for requiring Federal agencies to make information available to other such agencies, and for applying to the officers and employees of such agencies the provisions of law, including penalties, relating to unlawful disclosure of information.

The conference agreement adopts the basic provisions which appeared both in the Senate bill and in the House amendment.

There were certain differences, however, between the House and Senate provisions. In the first place, the House amendment contained a provision that the act should not apply to any information now required by law to be given or required by law to be withheld. There was no corresponding provision in the Senate bill. The conference agreement eliminates the provision of the House amendment in this respect.

In the second place, the Senate bill provided that the act should apply to the Treasury Department only to the extent that the Secretary of the Treasury might determine that compliance would not interfere with the proper administration of the functions and duties imposed upon that Department by law. The House amendment eliminated this provision. The conference agreement provides that the act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department. It is also provided in the conference agreement that the act shall not apply to the obtaining by any Federal bank supervisory agency of reports or information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

The House amendment also provided, in effect, that the act should not apply to the General Accounting Office. There was no corresponding provision in the Senate bill. The conference agreement retains the House provision under which the act will not apply to the General Accounting Office.

The House amendment also contained a provision that any person failing to furnish information required by any Federal agency should be subject to such penalties as were specifically prescribed by law, and that no other penalty should be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege, priority, allotment, or immunity afforded to any other person. There was no corresponding provision in the Senate bill. The conference agreement retains the House provision with clarifying changes.

WILL M. WHITTINGTON,
JOHN F. HUNTER,
HENRY O. TALLE,

Managers on the part of the House.



(e) Each denomination of coins provided for by this section shall constitute a series: *Provided*, That if one denomination is coined in more than one physical form or composition, the pieces of each different physical form or composition shall constitute a separate series.

(f) The coinage provided for by this section shall be in pieces of such metallic, or other or different content, weight, dimensions, shape, limits of tolerance, and design (including devices and legends), as the Secretary of the Treasury may by regulation prescribe for the particular denomination or series: *Provided*, That no silver shall be used for the coinage provided for by this section except as specified in subsection (g) hereof.

(g) For the coinage of any series, the Secretary of the Treasury is hereby authorized to allocate to the Director of the Mint, at such times and in such amounts as the Secretary of the Treasury deems necessary, any silver bullion in the monetary stocks of the United States not then held for redemption of any outstanding silver certificates. Silver contained in any pieces coined under section 1 of this act shall be accounted for by entries in the fund established for the purchase of metal for minor coinage. *Provided*, That the value of any silver bullion accounted for in said fund shall not be considered for the purpose of determining the statutory limit of said fund: *Provided further*, That the gain from the coinage of silver hereunder shall be accounted for by entries in the minor coinage profit fund. If any series is coined of silver or in part of silver, the pieces of said series shall nevertheless be deemed to be other than silver coins, subsidiary silver coins, silver coinage, or subsidiary silver coinage within the meaning of the monetary laws of the United States.

(h) The coinage provided for by this section shall be minor coinage, and the provisions of amended section 3528 of the Revised Statutes (U. S. C., title 31, sec. 340) shall apply with respect to any necessary purchases of metal or other material for the coinage provided for by this section: *Provided, however*, That contracts for said purchases may be entered into in accordance with the provisions of title II of the First War Powers Act, 1941 (55 Stat. 839; U. S. C., Supp. I, title 50, app., sec. 611).

(i) For the purpose of amended section 3529 of the Revised Statutes (U. S. C., title 31, sec. 341), the coinage provided for in this section shall be in the same category as the minor coins referred to in said section 3529.

(j) Except as provided in this act, the coinage provided for by this section shall be subject in all respects to the monetary laws of the United States, including, but not by way of limitation, the laws pertaining to counterfeiting, to legal tender, and to the distribution, exchange, and redemption of coins and currency.

SEC. 2. Title XII of the Second War Powers Act, 1942 (Public. No. 507, 77th Cong.), is hereby repealed.

SEC. 3. During the period when the coinage provided for by section 1 of this act may be coined, the Secretary of the Treasury is hereby authorized in his discretion to cause the coinage of any or all of the other minor coins to be suspended for the whole of said period or for any part or parts thereof.

SEC. 4. The Secretary of the Treasury shall cause all worn and uncurrent minor coin of the United States, heretofore or hereafter issued, received in the Treasury, to be melted down, the resulting metal and material to be used for coinage or sold, which sale is hereby authorized. Such coin (including any metal and material derived therefrom), and any loss resulting from the difference between the nominal or face value of such coin and the amount the same will produce in new coin, and any loss resulting from the sale of the metal or other material, shall be accounted for by entries in the fund established

for the purchase of metal for minor coinage and said fund shall be reimbursed out of the special fund denominated the minor coinage profit fund: *Provided*, That the value of any coin (including any metal and material derived therefrom) accounted for as provided herein shall not be considered for the purpose of determining the statutory limit of the fund established for the purchase of metal for minor coinage. The proceeds from any sale pursuant to this section shall be accounted for by entries in the fund established for the purchase of metal for minor coinage.

SEC. 5. All worn and uncurrent standard silver dollars now held or hereafter received in the Treasury shall be formed into bars of such weights and degrees of fineness as the Secretary of the Treasury may direct; and the Director of the Mint is hereby authorized to cause the bars obtained pursuant to the provisions of this section to be used for coinage: *Provided, however*, That whenever such bars are obtained from standard silver dollars held as security for outstanding silver certificates, an equal amount of silver shall be allocated as security for outstanding silver certificates when such bars are used for coinage.

SEC. 6. The Director of the Mint shall cause the coinage provided for by section 1 of this act to be coined in the United States coinage mints or to be coined in whole or in part at such other places or plants as the Director may, with the approval of the Secretary of the Treasury, designate; and the Director, with the approval of the Secretary, is hereby authorized to enter into such contracts as may be necessary to carry out the purposes of this act.

SEC. 7. There is authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of \$5,000,000 which shall be available for expenditure under the direction of the Secretary of the Treasury and in his discretion, for any purpose in connection with the carrying out of this act.

SEC. 8. The Secretary of the Treasury is hereby authorized to issue such orders, regulations, and instructions as he may deem necessary or proper to carry out the purposes of this act.

With the following committee amendments:

Section 1 (b) in the proviso, strike out the phrase "in his discretion", following the words "that in determining such physical properties the Secretary shall."

Section 1 (d), strike out "1 cent, 3 cents, and 5 cents" and insert in lieu thereof "1-cent piece and 3-cent piece."

Strike out all of section 2 and renumber sections 3, 4, 5, 6, 7, and 8 as sections 2, 3, 4, 5, 6, and 7, respectively.

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. SHEPPARD. Mr. Speaker, I ask unanimous consent to extend my remarks and include some correspondence pertaining to the same subject.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

[The matter referred to appears in the Appendix.]

COORDINATING FEDERAL REPORTING SERVICES

Mr. WHITTINGTON submitted the following conference report and state-

ment on the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, for printing in the RECORD:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Federal Reports Act of 1942'.

"SEC. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

"SEC. 3. (a) With a view to carrying out the policy of this Act, the Director of the Bureau of the Budget (hereinafter referred to as the 'Director') is directed from time to time (1) to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information and existing facilities of the established Federal departments and independent agencies.

"(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

"(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information

which it is the duty of the collecting agency designated by such order to obtain.

"(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

"(e) For the purposes of this Act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this Act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: *Provided*, That the provisions of this Act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department: *Provided further*, That the provisions of this Act shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

"Sec. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

"(b) Information obtained by a Federal agency from any person or persons may, pursuant to this Act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

"Sec. 5. No Federal agency shall conduct or sponsor the collection of information upon identical items, from ten to more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection,

"(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

"(b) The Director shall have stated that he does not disapprove the proposed collection of information.

"Sec. 6. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

"Sec. 7. As used in this Act—

"(a) The term 'Federal agency' means any executive department, commission, independent establishment, corporation, owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the General Accounting Office nor the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

"(b) The term 'person' means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

"(c) The term 'information' means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from ten or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

"Sec. 8. Any person failing to furnish information required by any such agency shall be subject to such penalties as are specifically prescribed by law, and no other penalty shall be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege, priority, allotment, or immunity, except when the right, privilege, priority, allotment, or immunity, is legally conditioned on facts which would be revealed by the information requested.

"Sec. 9. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act."

And the House agree to the same.

WILL M. WHITTINGTON,
JOHN F. HUNTER,
HENRY O. TALLE,

Managers on the part of the House.

ALLEN J. ELLENDER,
H. H. SCHWARTZ,
ROBERT A. TAFT,
GEORGE D. AIKEN,

Managers on the part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate bill and the House amendment both declared it to be the policy of Congress that information needed by the various Federal agencies should be obtained with a minimum burden upon the business enterprises

(especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government. It was also declared that all unnecessary duplication of effort in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable, and that information collected and tabulated by any Federal agency should, insofar as expedient, be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

To carry out this policy the Director of the Bureau of the Budget was directed from time to time to investigate the needs of the various Federal agencies for information, to investigate the methods used by such agencies in obtaining such information, and to coordinate as rapidly as possible the information-collecting services of all such agencies, with a view to reducing the cost to the Government of obtaining such information, minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information, and existing facilities of the established Federal departments and independent agencies.

Provision was also made in both the Senate bill and the House amendment for hearing the various Federal agencies with respect to their needs for information, for designating a collecting agency to obtain necessary information for any two or more Federal agencies, for requiring Federal agencies to make information available to other such agencies, and for applying to the officers and employees of such agencies the provisions of law, including penalties, relating to unlawful disclosure of information.

The conference agreement adopts the basic provisions which appeared both in the Senate bill and in the House amendment.

There were certain differences, however, between the House and Senate provisions. In the first place, the House amendment contained a provision that the act should not apply to any information now required by law to be given or required by law to be withheld. There was no corresponding provision in the Senate bill. The conference agreement eliminates the provision of the House amendment in this respect.

In the second place, the Senate bill provided that the act should apply to the Treasury Department only to the extent that the Secretary of the Treasury might determine that compliance would not interfere with the proper administration of the functions and duties imposed upon that Department by law. The House amendment eliminated this provision. The conference agreement provides that the act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department. It is also provided in the conference agreement that the act shall not apply to the obtaining by any Federal bank supervisory agency of reports or information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

The House amendment also provided, in effect, that the act should not apply to the General Accounting Office. There was no corresponding provision in the Senate bill. The conference agreement retains the House provision under which the act will not apply to the General Accounting Office.

The House amendment also contained a provision that any person failing to furnish information required by any Federal agency should be subject to such penalties as were specifically prescribed by law, and that no other penalty should be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege, prior-

ity, allotment, or immunity afforded to any other person. There was no corresponding provision in the Senate bill. The conference agreement retains the House provision with clarifying changes.

WILL M. WHITTINGTON,
JOHN F. HUNTER,
HENRY O. TALLE,

Managers on the part of the House.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report, and I ask unanimous consent that the statement may be read in lieu of the report.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. HOFFMAN. Reserving the right to object—

Mr. SMITH of Virginia. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman.

Mr. SMITH of Virginia. I would like to inquire of the gentleman from Mississippi as to the amendment placed by the conference committee to the amendment which I offered and which was adopted by the House. That amendment, which was adopted by the House, provided that no extra legal penalties should be imposed upon any citizen for failure to answer any of these questionnaires. The Senate has added some rather complicated language to that amendment. I would like to be sure, and I think the House would like to be sure that this language does not affect or destroy the fundamental purpose of the House amendment. The purpose of that amendment was this: My attention has been called to instances where if a party failed to comply with some directive of some governmental agency, he was threatened with or subjected to some extralegal penalty. I have in my pocket at this time a questionnaire, 16 long legal cap pages, issued by the O. P. A., directed to a business firm that is not engaged in any business activity, asking a large number of questions that have no possible concern as far as the human eye can designate, with the functions of the O. P. A. I want to be sure that if that gentleman did like some other folks might do, drop that piece of trash in the wastebasket, then the O. P. A. will not be permitted to deny him a ration card for sugar for his coffee or coffee for his sugar, or for gasoline for his automobile. For that reason I am asking the gentleman from Mississippi if he will explain just what that amendment added by the Senate means.

Mr. WHITTINGTON. I may say in answer to the question propounded by the gentleman from Virginia that the conference report contains substantially the amendment that he proposed in the House and that was adopted by the House. The report of the managers on the part of the House shows it was the purpose to retain the substantial provisions of that amendment to prohibit the very things the gentleman's amendment undertook to condemn. There is clarifying language only in the conference report, and it was believed that the clarifying language was necessary in order to

make effective the purpose the House and the gentleman had in mind in adopting the amendment proposed by him.

To answer specifically: The language of his amendment, it was thought by the conferees, might encourage the citizen who was obstinate and refused in any way or in any degree to cooperate; for instance, in the rationing of sugar if the citizen in applying for his allotment were to refuse to answer, and the chiseler were to refuse to disclose, that he had sugar on hand, there would be no way to deny him his allotment of sugar. The purpose of the amendment was to reach such an illustrative case as I have just mentioned.

Mr. SMITH of Virginia. That was the only purpose of the amendment.

Mr. WHITTINGTON. That was the purpose of the amendment.

Mr. SMITH of Virginia. Let us suppose a person applies for a sugar card and refuses to answer the questions upon which he is entitled to the issuance of that card, then under that amendment the O. P. A. can quite properly say he can have no sugar.

Mr. WHITTINGTON. Otherwise we would absolutely hamstring the Price Administration.

Mr. SMITH of Virginia. I am in thorough accord with that; but most certainly it should not give the Administration the power to deny a man sugar because he does not answer some question on an application for gasoline. For instance, I had this example brought to my attention: A transportation company was asked voluntarily to agree to something that this particular agency could not require them to do and which would very seriously have handicapped that transportation company. They said:

No; we will not voluntarily agree to do that.

The answer was:

Well, if you do not voluntarily agree to that we will see that you do not get any tires for your automobiles.

That is the kind of thing I think this Congress does not want to condone being done by the executive department.

Mr. WHITTINGTON. I assume that it was the purpose of the House in adopting the gentleman's amendment to condemn the little dictator. A big man, a great soul, given power, is always humble and cooperative; but a little man with a little heart and with little head, given power, always makes a spectacle of himself and apes dictatorship. It was the purpose of the conferees in adopting the amendment with the clarifying language not to condone or approve the acts of the chiseler, but to limit the so-called little dictators and those who wanted to oppress and deny. It gives the agency the right to legal information which is pertinent information they are entitled to have in response to requests needed to determine allotments.

Mr. SMITH of Virginia. And, as I understand, the conference amendment is to confine those penalties to the particular transaction in which the person is applying for some right, privilege, or immunity.

Mr. WHITTINGTON. I am sure that was the purpose of the conferees, and I am sure the language of the conference report is designed to effectuate that purpose—to see that the questions asked are relevant and that they may be legally conditioned or required.

Mr. SMITH of Virginia. If that is what is intended, I am in thorough accord. It is not my purpose to hamper or restrict any office in the administration of its legal functions.

Mr. HOFFMAN. Mr. Speaker, it is not my purpose to object to this bill, because if this is not passed we shall get no legislation at all, and the taxpayers and the citizens are certainly entitled to some relief. I cannot go along with the gentleman's construction of the language put in by Senator TAFT for this reason: I heard the protests that were read before the conferees sent up by Nelson and by O. P. A. In my opinion, at least, the language in the conference report will permit those agencies to do the very thing we are seeking to prevent. I will illustrate it in this way: This language provides that no other penalty shall be imposed if the information which is sought is necessary in answering the inquiry that is required by that questionnaire. Take this matter of fuel oil. The citizen is asked in the questionnaire how many gallons he burns, for example, over a certain period. He does not know. The farmer is asked, when he applies for gasoline for his truck, or in order to get tires, how many miles his truck traveled over a certain period. He does not know. Now, unable to answer, or answering falsely, he is liable to a penalty of \$10,000, or 5 years. That ought to be enough; but, in addition to that, if he does not answer even though he cannot, he can be denied fuel oil for his house; he can be denied gasoline for his truck. So they can put into these questionnaires as many questions as they wish, subject only to the supervision of the Director of the Budget, if this bill goes through.

I do not want to go on record as approving any such practice because when we give a department authority to issue these questionnaires they go on indefinitely with questions and then deny the man his fuel, his sugar, his tires because he cannot tell them how old Ann is or why George did not do something. I do not want to go on record as sanctioning anything of that kind.

Mr. WHITTINGTON. I will say in response to the gentleman's statement that to effectuate the gentleman's purpose and to carry out his intention I believe the best thing the Congress can do is to adopt this report. If the report should be rejected and no bill passed, these agencies will go on unhampered and unhindered. While this is not a perfect bill, the gentleman will agree that the conferees gave most careful consideration to this particular item, which was strenuously objected to by the very agency that the gentleman condemns. There is involved some clarifying language, and, as I said, while this bill is not perfect it will go a long way toward preventing the very practices which the gentleman condemns.

Mr. HOFFMAN. I am not objecting, but I do not want the thing to go through without a protest.

Mr. WHITTINGTON. I trust the gentleman will revise his remarks and leave out that part in which he states that any agency may disregard this bill, if it becomes law.

Mr. SAUTHOFF. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Wisconsin.

Mr. SAUTHOFF. The gentleman from Michigan has referred to the fact that the consumer is subject to a penalty of \$10,000 or 5 years in the penitentiary for violations in regard to the answering of questions in the questionnaire. What penalty is the Administrator of the act and his associates subject to if they exceed their authority?

Mr. HOFFMAN. If they violate a constitutional provision or a Federal statute, that is just overlooked as an error.

Mr. BROWN of Ohio. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I would like to ask the gentleman from Mississippi a question. Has this particular amendment been submitted to Leon Henderson and to his assistant, Mr. Ginsberg, for their consideration and approval?

Mr. WHITTINGTON. It has not.

Mr. BROWN of Ohio. Does the gentleman know what their attitude is on the amendment?

Mr. WHITTINGTON. I should judge from what the gentleman from Michigan has stated, without disclosing the proceedings of the conference with respect to this bill, that both of those gentlemen oppose this provision being held in the bill, inasmuch as they suggested no modification or clarification.

Mr. BROWN of Ohio. Has the gentleman from Mississippi any assurances that the Office of Price Administration will pay any attention to the particular provision?

Mr. WHITTINGTON. No; I have not.

Mr. BROWN of Ohio. Are there any means set up in this bill to enforce their compliance with this provision?

Mr. WHITTINGTON. The purpose of the bill is to prevent agencies from obtaining information as defined unless there is compliance with the act.

Mr. BROWN of Ohio. Will this reach such questions that are asked as, for instance, when the farmers are asked the question as to whether or not they are complying with A. A. A. and whether or not they believe in it?

Mr. WHITTINGTON. The purpose of the amendment and the bill is to restrict the questions to those which may be legally asked.

Mr. BROWN of Ohio. Would this amendment delete from the questions that are submitted the question to farm workers who are asking for relief from military service wherein the farm worker is asked whether or not the farm upon which he is employed is under A. A. A.?

Mr. WHITTINGTON. I would not undertake to answer the gentleman's question in that regard except to say

that while this bill is not perfect it will certainly restrain the now apparently unlimited exercise of authority in burdening citizens and taxpayers who are furnishing many reports when one report should be available to all the agencies of the Government interested.

Mr. THOMAS F. FORD. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from California.

Mr. THOMAS F. FORD. I recognize that this bill has a restraining effect on what they are doing now. I should like to ask the gentleman one question. When the Congress convenes in the coming new session will the gentleman support a measure abolishing the rationing principle and simply substitute therefor a series of ceilings that will permit the producers to produce at a sufficient profit to enable them to supply the country with the necessary food, clothing, shelter, and everything else they need, and cut out this fool rationing principle?

Mr. WHITTINGTON. If the gentleman's question is directed to me, and the question is very interesting, may I say that I do not usually commit myself in advance on legislation, until it is ready to be voted on.

Mr. HOFFMAN. Would the gentleman favor such a program?

Mr. THOMAS F. FORD. Yes.

Mr. HOFFMAN. When we meet again?

Mr. THOMAS F. FORD. I am in favor of such program.

Mr. RICH. Will the gentleman yield?

Mr. HOFFMAN. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will this have any effect on the voluminous reports and requests for data that the Office of Price Administration is now asking business concerns to give, in addition to their annual statements? When they make their statements to the Treasury Department, they are followed up by requests for quarterly and annual statements and inventories from all manufacturing concerns. Are those reports going to be continued if this bill is passed?

Mr. WHITTINGTON. The gentleman will recall from the rather extended debate when this bill was passed by the House, that one of the main purposes of the bill was to accomplish the very thing that the gentleman has brought to the attention of the House, to wit, reduce and eliminate the wholly unnecessary accumulations and entirely useless expense to the taxpayers of repeated answers to useless questionnaires.

Mr. RICH. You will do a great service if you eliminate that, because there is no one in the O. P. A. who can interpret them after they get them, yet there is involved a penalty of a \$10,000 fine and imprisonment for 5 years. They will work at them for 3 months to get them out, but they are no good after they get them out.

Mr. WHITTINGTON. If there be no further questions with respect to this particular amendment, with the indulgence of the gentleman from Michigan I should like to make this statement.

The bill as it came to the House and as it was reported to the House by the

House committee contained a proviso exempting the Treasury Department from full compliance with its terms. It was thought that that provision was entirely too broad, so this bill, as we have agreed to it in conference, eliminates that provision as it eliminates the so-called Robsion amendment adopted, and in lieu thereof confines the elimination from the provisions of this bill to certain agencies under the Treasury Department, including the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department, agencies of Government that deal with information that should not be given to the public, including the income-tax returns of citizens.

I may say in this connection, Mr. Speaker, that the bill as finally agreed to in conference embraces the so-called Williams amendment, at one time adopted by the House, providing that the Federal Deposit Insurance Corporation and the Federal Reserve System are eliminated from the provisions of the bill.

Mr. TALLE. Reserving the right to object, Mr. Speaker, may I say as one of the conferees on this bill that all the conferees approached this problem with a determination to get rid of the countless as well as useless reports and questionnaires that have harassed and are continuing to harass our citizens. I have in my pocket now a report on the situation in one of the cities in my district. It is an astounding report. I just read in a local newspaper an account of the senseless burden which the O. P. A. is imposing on one business house in the city of Washington. I trust that this conference report may pass the House immediately and that we may be able to put a stop to this sort of thing.

Mr. Speaker, I submit at this point the report to which I have referred. And may I add further that this report came to me from Cedar Rapids, Iowa, the city which enjoys the unique distinction of being the first in the United States to have conferred upon it the honor symbolized by the T-flag. This banner was presented to the city of Cedar Rapids by a representative of the United States Treasury not many days ago, and its significance lies in the fact that this city was the first in our entire country to establish a near-unanimous 10 percent wage check-off in its industries for the purchase of War Savings bonds.

[From the Cedar Rapids Gazette of December 6, 1942]

BUREAUCRATIC QUESTIONNAIRES ADD TO TROUBLES OF WAR PLANTS

(By John Reynolds)

The Federal Government's family of boards and bureaus is running a question-and-answer program that makes Dr. I. Q. look like a kindergarten teacher on her first job.

Chief stooges on the program, according to the congressional leaders who already have begun to investigate, are the selfsame industries and businesses from which Uncle Sam is demanding peak war production and performance—in Cedar Rapids, Chicago, Chattanooga, or anywhere.

Busy executives in Cedar Rapids can tell you that the bureaucrats are always asking:

"How many cotter keys are there in your plant?" or "What are the minority interests in capital and surplus of your consolidated subsidiaries?"

IT TAKES VALUABLE TIME

Big business' gripe at being an involuntary Quiz Kid is altogether because of the time required to find all the answers, fill out all the questionnaires, and get them off to desk 1-A, finances branch, Office of Price Administration, Washington, D. C., or some other such designation.

The complaint isn't because the answers sought are of a confidential nature. The skirts of business and industry have been whipped up so many times by the big winds that blow out from Washington that all privacy is gone—and modesty with it, the officers and owners will tell you.

The howl might not be so loud either if the clerks, the foremen, the vice presidents, and the presidents were sure that Washington used the reports when it got them.

It's like being a free lance writer, they say, and never having any of your stuff published.

Because of the hue and cry over Government questionnaires and the amount of time required to fill out all of them, the Gazette last week prevailed on the officers of one firm in the Cedar Rapids area to open its government questionnaire file to inspection. The company also was asked to check on the time consumed in filling out some of these multi-paged reports which ask for information on almost everything.

Without digging, the firm's officials could list 31 different government reports, including some on taxation, which have been required of it one or more times or periodically in the course of a year.

The company estimated conservatively that it would take 10 persons 3 weeks to fill out one particular report which is asked on a quarterly basis:

When it comes to filling out most of the reports, the services of a number of employees in a number of different departments are required to complete the job. If the time spent by all were accumulated, from 1 to 40 hours' time would be expended by a single person to get out one or another of the many reports.

By the same token, it would take 1 worker from 1 to 24 hours or more to fill out each of some 16 reports asked for by War Production Board alone, the company said.

AND DON'T FORGET THE TAXES

Among the Government agencies on the asking end are the War Production Board, chief among the quizzers now, the Office of Price Administration, the Office of Defense Transportation, the Securities Exchange Commission, the taxing agencies of the National Government and of the governments of Iowa and other States wherein the company does business, the Bureau of Labor Statistics, which works for itself and for other Government agencies as well, and others.

Men who are asked to do a hustling war-time job were a little disturbed recently to open an envelope which bulged with a 17-page Office of Price Administration form asking for a complete annual financial report.

Since the prices of the company's products are fixed by regulation, its officers could see little reason for Office of Price Administration making such inquiries.

Before the time this report was received the company already had filed one annual report and one quarterly report of the same nature covering different business periods.

ONE HUNDRED AND SIX PAGES SHORT

When War Production Board wanted to know all about the deliveries of the company's products since 1939 and their last known location, 107 pages were required to furnish the answers. War Production Board provided 1 page. The company itself had

additional copies of the form prepared so that it could make the listings requested.

Despite the fact that it asked for such intricate details as serial numbers, sizes, and much other information, War Production Board wanted the answers back to Washington in 5 days.

The manufacturer in Cedar Rapids gets his Irish up too when a Government agency asks for some report and then requires "the signatures of at least 2 officers of the company on each page."

Here are a few of the report forms which this company has received, filled out and sent back to somebody's desk in Washington:

1. Report of plant operations including an analysis of sales, orders, machines, and employees. This is asked on a monthly basis.
2. An inventory of certain machinery and whether or not its status has been changed.
3. Manufacturers' inventory of certain heavy-duty machinery.
4. Production schedules.
5. Applications for authority to begin construction. In this form, the Government asked for descriptions of all materials being used and their classification according to a numbered code list which included 275 different items.
6. Manufacturers' report on the sales and production of certain machinery.
7. Production and shipment schedules of certain machinery.
8. Certification of material inventories.
9. Form A (annual) and form B (quarterly) financial reports for Office of Price Administration.
10. Annual financial reports for Securities and Exchange Commission and for the securities offices of all States in which the company qualified its own securities.
11. Federal income tax.
12. Federal excess-profits tax.
13. Capital-stock tax.
14. Iowa income taxes.
15. Income taxes of other States.
16. Unemployment tax for the Federal Government and two States.
17. Federal old-age-benefits reports.
18. Report on all commercial vehicles for Office of Defense Transportation.
19. Confidential report on labor turn-over for the Bureau of Labor Statistics.
20. Seven individual reports for War Production Board on production requirements, inventories, surpluses, and the like.

"The company is at a loss in many instances to know whether these reports are required by law or merely by 'bureaucratic whim,'" said one officer. "There is an obvious duplication in the askings."

The men who must worry about filling out these reports never know whether the information will be asked in pieces, prices, or weights. One form was changed five times in recent months in that respect.

Preparing the answers for many of these forms, the company reported, may require the combined effort of the repair parts, tool crib, sales, maintenance, and experimental departments, as was the case recently with one questionnaire.

COMPANY RECORDS COMPLICATED

But this isn't the end. This business and others spend time keeping a check on the draft status of the men in their employ. They must make an effort to get deferments for keymen who are necessary and essential and arrange for the training of replacements wherever that is possible.

The share-the-ride plan takes more book work.

Not the least of the jobs is paying the workers and keeping track of the various deductions authorized.

In computing wages, overtime payments must be considered as they are directed by the national wage-and-hour law, the Walsh-Healey Act, and the Presidential order, to-

gether with the union contract, if there is one, and the wage specifications it contains.

Then come the deductions—for group life insurance, for group health and accident insurance, old-age benefits, War-bond purchases, community war chest, United Service Organizations, the victory tax (next year), and possibly purchases by employees through the company.

For this firm the full time of two or three employees is required to post War-bond deductions and handle the issuance of the bonds.

Against these duties there is no complaint, even though the company has yet to do the bookkeeping demanded by normal, modern business operations.

But the room temperature does rise and the air gets blue when Office of Price Administration comes through with "Give the salary of every employee who owns more than 10 percent of the capital stock" or "Give the various rates of depreciation on fixed assets."

Mr. Speaker, I ask unanimous consent to revise and extend my remarks and to include therein a newspaper article.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. HINSHAW. Reserving the right to object, Mr. Speaker, I am delighted that the gentleman is bringing in this legislation. The other day I placed in the RECORD a questionnaire that our retail grocers are called upon to fill out on or before the 10th day of January. It will require anywhere from 35,000 to 60,000 separate entries to be made by each grocer. Of course, it is impossible for them to do that job and carry on the business of their stores and supply the people, largely because they cannot hire any help to do the work.

In addition, the other day I wanted to find out what authority of law there might be by which the administrator of the Office of Price Administration could say that he could refuse to issue gasoline rationing tickets to anybody who owned more than five tires. I am in accord with the principle of the people's cutting down the number of extra tires they own, but I wanted to know what legal authority he had. This morning I received a rather involved explanation from him quoting certain portions of the statute, which, to me, seems very roundabout in establishing that authority. It is a curious situation when the people find themselves in a position where they cannot sell their extra tires to anybody. That is against the law. Of course, they can sell them to the Government. The Government does not say that you have to throw the tires on the dump pile or give them away, but the situation is such that it is a practical necessity for you to do that.

I have in my office a receipt given a constituent of mine for one tire. It is issued by the Government. With it is a check in the amount of 20 cents for that tire. He said it was a perfectly good tire, yet the Government has placed him in a position where he could not sell it to anybody else, he had to sell it to the Government, and he got 20 cents for it. He said he would rather have given it to the Government and forgotten all about it. He had thought he might have gotten \$5 or \$6 for it.

I hope the gentleman's committee or whatever committee of the House has responsible charge of that sort of thing will really investigate that matter in the future. I include my letter to Mr. Henderson of November 25 and his reply of December 9, 1942, above referred to.

NOVEMBER 25, 1942.

LEON HENDERSON,

*Administrator, Office of Price
Administration, Washington, D. C.*

MY DEAR MR. HENDERSON: For my information, will you kindly quote the chapter and verse of the statutes which gives you authority to refuse the issuance of gasoline rationing books to automobile owners who have in their possession more than five tires?

Very truly yours,

CARL HINSHAW,
Member of Congress.

OFFICE OF PRICE ADMINISTRATION,
Washington, D. C., December 9, 1942.

HON. CARL HINSHAW,

*House of Representatives,
Washington, D. C.*

DEAR MR. HINSHAW: You have asked me to quote the statutory provision which grants authority to refuse the issuance of gasoline rationing books to automobile owners who have in their possession more than five tires. The basis for this authority is to be found in section 2 (a) (2) of the Priorities and Allocations Act, as embodied in title III of the Second War Powers Act (Public Law No. 507, 77th Cong., 2d sess.), which provides as follows:

"Whenever the President is satisfied that the fulfillment of requirements for the defense of the United States will result in a shortage in the supply of any material or of any facilities for defense or for private account or for export, the President may allocate such material or facilities in such manner, upon such conditions, and to such extent as he shall deem necessary or appropriate in the public interest and to promote the national defense."

In order to insure that adequate supplies of tires be made available at the appropriate time and in the appropriate manner for uses to carry on the war effort, it is imperative that the Government secure possession and control over all tires in excess of five, which are normally needed to operate a car. Only the Government is in a position to effect an effective and equitable allocation of such tires. It seems clear, therefore, that the acquisition of such tires and their distribution are part of the allocation program authorized by the Priorities and Allocations Act. Conditioning gasoline rationing upon the turning over of excess tires to the Government is appropriate for this purpose, because the objective of both gasoline rationing and tire rationing is the proper allocation of transportation facilities.

I trust that this provides you with the information which you requested.

Sincerely yours,

LEON HENDERSON,
Administrator.

MR. WHITTINGTON. The gentleman is always interesting. I would say that when the Administrator of the Office of Price Administration asks the Director of the Budget for questionnaires, under this bill the gentleman would have an opportunity to be heard, whereas if the measure does not pass, there would not likely be any further opportunity.

MR. LELAND M. FORD. Reserving the right to object, Mr. Speaker, has any consideration been given to an amendment that would fix a penalty on the Administrator or any of his subordinates

for maladministration or for any instances where they proved coercion on one item and against another? Would it not be a good idea to put the same penalty on the Administrator where any such act was performed, a penalty of 5 years in the penitentiary or a fine of \$10,000? Has that question been considered? I would say that the conferees had no jurisdiction of that matter. It was not involved in the bill, as passed by the House or the Senate, and I might also say that when this bill was originally passed by the House and the Senate, it was agreed that it was not a perfect or a comprehensive bill, but that it was a step, and a good step in the right direction, to be followed by legislation in the next Congress.

In other words, it was the best that you could do with a bad situation?

MR. WHITTINGTON. That is correct.

MR. ROBSON of Kentucky. Mr. Speaker, I reserve the right to object. I offered an amendment the other day, which was not adopted by the House. It was my purpose not to do anything that would at all limit the power set forth in the bill. Will the gentleman advise what was done with that amendment?

MR. WHITTINGTON. I have previously answered the gentleman's question when I stated that in lieu of the matter contained in the gentleman's amendment there was inserted a provision that eliminated the Bureau of Internal Revenue, and the named agencies in the Treasury Department, and also eliminated the Federal Reserve System and the Federal Deposit Insurance Corporation. I believe the purpose the gentleman had in mind has been accomplished.

MR. ROBSON of Kentucky. I thank the gentleman. I think the conferees have fully protected the matter that we had in mind.

MR. WOLCOTT. Mr. Speaker, I reserve the right to object, in order to make a statement. When the price-control bill was passed we had quite a fight on this floor in respect to two subjects. First, one which has been stated here today in respect to the need for reports by the Price Administrator as a means of gathering information on which to base a price ceiling. It becomes clearly evident that the Price Administrator has grossly abused the power which has been given him under the Price Control Act, in the seeking of information ostensibly for the purpose of justifying a price ceiling. I always contended that a price ceiling could be put on a commodity, maintained, and enforced without the necessity of all these questionnaires, and immediately following the convening of the next Congress I am going to offer a bill to repeal that section of the Price Control Act which gives the Office of Price Administration this unusual power to dig into the business of private merchants.

Also, in response to the comment which has been made here today on the fact that the Price Administrator himself and the Government is above the law in this respect, another fight occurred on this floor in respect to review and it was pointed out, and in spite of the

prophecies of many of us that this condition would be created, no provision in the price-control bill was enacted to allow a review in any court whatever within the reach of the average person affected by the price control. We did set up a court of economic appeals, or something like that, and restricted the review of all of these injustices to the authority of the Administrator to set ceilings. So in no manner did we close the door against judicial review of all of these injustices which are now being heaped on the American people in the name of price control.

MR. WHITTINGTON. Mr. Speaker, I always listen with interest to the gentleman's observations, and I believe that the Congress and the country are aware of his views.

MR. HOFFMAN. Mr. Speaker, reserving the right to object, referring to that price-control bill passed here which gives Mr. Henderson this power that he is now abusing, was not that the bill that the Banking and Currency Committee recommended?

MR. WOLCOTT. The bill that passed the House was not the bill that the Banking and Currency Committee recommended.

MR. HOFFMAN. And we followed along after the Senate?

MR. WOLCOTT. No; the gentleman did not, and I did not. The gentleman and I voted for the bill after it had been perfected to remove these injustices.

MR. HOFFMAN. I did not vote for the bill.

MR. WOLCOTT. Then the bill went to conference. Then, after the other body of Congress had knocked out of the bill the protection which we wrote into the bill, even some on this floor were foolish enough to vote for it. In doing so they voted away the fundamental rights of the American people.

MR. HOFFMAN. I did not want any misapprehension. I did not vote for that bill because, being of a suspicious nature, I suspected that Mr. Henderson would abuse the power granted him.

MR. WOLCOTT. I thought we had a right to expect a little intellectual honesty on the part of the administration of this act. Therefore, I went along with it in the first instance.

MR. MICHENER. Mr. Speaker, the regular order.

THE SPEAKER. The regular order is demanded. Is there objection?

MR. WHITTINGTON. Mr. Speaker, inasmuch as I have substantially covered the statement of the managers on the part of the House, I ask unanimous consent that the further reading of the statement be dispensed with, and that the statement be printed in the Record.

THE SPEAKER. Is there objection?

MR. HOOK. Reserving the right to object, the gentleman knows I have no brief for all these blanks that the Office of Price Administration has been shooting at the American people, but I am just wondering whether a lot of this widespread blank criticism in this House is doing the American public any good. I am wondering whether the widespread blank that is being brought about in this House is not bewildering the American

public even more than the Price Administration is doing. I think it is about time that we gave the American people a little rest and either adjourned or stopped this blank criticism.

Mr. WHITTINGTON. The gentleman reminds us that there are two sides to every question.

Mr. Speaker, I ask unanimous consent that the further reading of the statement on the part of the managers be dispensed with and that it be printed in the RECORD.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

Mr. WHITTINGTON. Mr. Speaker, I ask unanimous consent to proceed for half a minute, to say that I am advised by the document room that the Senate bill and the House bill have been exhausted. A clean bill, as agreed to, is contained in the conference report, so that the Members may be governed accordingly.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection?

Mr. HOFFMAN. Reserving the right to object, I wonder if I can have until midnight tonight to file a resolution?

Mr. McCORMACK. I suggest the gentleman submit his unanimous consent now before my request is acted upon. Mr. Speaker, I withdraw my request at this time.

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent to have until midnight tonight in which to file a resolution.

Mr. WOLCOTT. Mr. Speaker, reserving the right to object, may I inquire the nature of the resolution?

Mr. HOFFMAN. It is asking the Navy Department whether they are going to prosecute Walter Winchell—

Mr. HOOK. Mr. Speaker, I object.

Mr. HOFFMAN. Then I object to the adjourn-over request.

Mr. McCORMACK. Of course, the gentleman has not that pleasure yet, because I have withdrawn the request. But I will afford the gentleman an opportunity just to test out his mettle to see if he is going to inconvenience everyone else.

I ask unanimous consent, Mr. Speaker, that when the House adjourns today it adjourn to meet on Monday next.

Mr. HOFFMAN. Mr. Speaker, I object.

COL. LEO A. LUTTRINGER

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 1650) for the relief of Col. Leo A. Luttringer, United States property and disbursing officer for Pennsylvania, under an agreement which was reached when the Private Calendar was called.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, That the Comptroller General of the United States be, and he is hereby, authorized and directed to credit in the account of Col. Leo A. Luttringer, United States property and disbursing officer for Pennsylvania, the sum of \$2,105.30, public funds for which he is accountable, which sum was paid by him to the Keystone Tailoring Co., Philadelphia, Pa., on vouchers for services for which bona fide bids were not obtained, and which amounts have been disallowed by the Comptroller General of the United States.

Mr. CASE of South Dakota. Mr. Speaker, I offer an amendment, which is at the desk.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Strike out all after the enacting clause and insert the following: "That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Col. Leo A. Luttringer, United States property and disbursing officer for Pennsylvania, the sum of \$2,105.30. The payment of such sum shall be in full settlement of the claim of the said Col. Leo A. Luttringer against the United States for reimbursement for a like sum which was (1) paid by him to the Keystone Tailoring Co., Philadelphia, Pa., on vouchers for services for which bona fide bids were not obtained, (2) disallowed by the Comptroller General in the settlement of the accounts of the said Col. Leo A. Luttringer, and (3) refunded by the said Col. Leo A. Luttringer to the United States as a result of such disallowance."

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

4-H CLUBS

Mr. FULMER. Mr. Speaker, I ask unanimous consent for the present consideration of House Joint Resolution 350.

The Clerk read the resolution, as follows:

Whereas 1,000,000 men now on farms will go into the Army or industry during the next few months; and

Whereas 200,000, in addition to those now on farms, will be needed to meet the expected call for a 5-percent increase in production in 1943; and

Whereas replacements for the 1,200,000 above-mentioned workers must come from the nonfarm population, with the exception of possibly 250,000 farm children who will reach working age next year; and

Whereas the Secretary of Agriculture is asking for an immediate cut in food consumption about which "we have been too complacent"; and

Whereas because we must build up stock piles of food for our Army, lend-lease, and domestic consumption to avoid a serious shortage in 1943, and a critical shortage later; and

Whereas rural nonfarm youth comprise approximately 4,500,000 individuals between the ages of 10 to 19; and

Whereas these young people are located near the farms and can be recruited without serious problems of transportation and housing; and

Whereas most of them know farm vocabulary and many of them are familiar with farm work and duties; and

Whereas this group constitutes the most logical available farm labor supply; and

Whereas this rural nonfarm youth group can be most easily recruited and trained to lessen the farm labor shortage: Therefore be it

Resolved, etc., That in order to assist in assuring an adequate supply of food for the armed forces, the civilian population, and the Allies of the United States, there is hereby authorized to be appropriated such sums as may be necessary to employ qualified persons as assistants to train rural nonfarm youth for farm labor and to supervise 4-H Club and other farm youth work projects. Such assistants shall be under the direction of the extension services of the State agricultural colleges. The United States Department of Agriculture and the United States Employment Service shall cooperate with the State agricultural colleges in recruiting and training youths for farm labor in order to carry out the purposes of this joint resolution.

The SPEAKER. Is there objection?

Mr. MARTIN of Massachusetts. Reserving the right to object, will the gentleman explain this resolution?

Mr. FULMER. I will be delighted to. The gentleman will remember that 12 months ago I introduced and my committee reported unanimously a real 4-H Club bill which carried an authorization for several millions annually, but on account of the war and having to spend billions in this great emergency we never did ask for a rule for the consideration of same.

The purpose of this bill is to get on to the farms for the duration of the war as many of the boys and girls as possible out of the four and a half million nonfarm boys and girls who live in towns, villages, or small cities near the farming areas of the country. It is not a matter so much of training during this emergency as it is getting the girls and boys near the farms to help out on the farms. Those boys and girls—thousands of them—know quite a lot about various types of farm work, and these boys and girls know the language of the farm and could readily fit in on the farms for many kinds of work and thereby take the place of the shortage of farm labor which it is quite apparent will amount to some 2,000,000 laborers or more.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, does the gentleman really expect they will go to the farms when there is so much greater opportunity for them in industry?

Mr. FULMER. The youth from 10 to 17 who are contemplated for farm work under this bill would not—at least many of them—leave home for work in industry and the large cities.

Mr. MARTIN of Massachusetts. But boys of 16 and 17 can get work very easily in industrial centers at this time.

Mr. FULMER. The gentleman is quite right. Some of these 16 and 17 years of age are already engaged in government and industrial work but there will be two or three million available. This would be an inducement and would be inexpensive in that they live near the farms and in rural areas. This would be much more satisfactory than, for instance, to take them from large cities like New York where they know nothing

about farming, or to transport laborers from one section of the country to some other section of the country, pay their transportation and 30 cents an hour. That kind of program certainly would cost a lot of money and create lots of dissatisfaction and confusion on the part of farm laborers now on the farms.

Mr. HOPE. Mr. Speaker, further reserving the right to object, is it not true that this is the greatest single source of farm labor that is available in the country today?

Mr. FULMER. The gentleman is absolutely correct.

Mr. HOPE. If an organization is set up whereby these boys and girls can be mobilized for work on the farms I think that in itself will prevent their going to work in industry, will keep them in the local vicinities where they will be able to contribute some help on the farms of the country.

Mr. FULMER. The gentleman is correct, and they are near the farms and understand farm life to a great extent. They would be satisfied and happy and I believe would render a great service to farmers and to our war efforts in increasing food production.

Mr. MARTIN of Massachusetts. Mr. Speaker, if the gentleman will yield—

Mr. HOPE. I yield.

Mr. MARTIN of Massachusetts. How effective does the gentleman believe this would be?

Mr. FULMER. It would be very effective and ameliorate the shortage of labor.

Mr. MARTIN of Massachusetts. I understand that but I should like a thorough explanation of how it is to be made effective.

Mr. FULMER. The gentleman will find that this will work very efficiently under the extension agency and those in charge of 4-H Club work and the training of boys and girls in agriculture.

Mr. RICH. Mr. Speaker, reserving the right to object, in the first place how much will it cost to put this program into effect? And how does the gentleman expect to put it into effect?

Mr. FULMER. As I said to the gentleman the other day, the Department of Agriculture and those interested in handling this proposition will have to appear before the Appropriations Committee to make a showing as to just what they think it would take to do the work. According to information I have through the Department and those interested it would take anywhere from two to four millions of dollars. The reason for this small amount in comparison with other contemplated programs is that these boys and girls live near the farms. Were we to reach out to cities like New York and other large centers or transport laborers to the farming areas and pay their way back together with 30 cents an hour, that would make it cost millions.

Mr. RICH. Where do you expect to get the money?

Mr. FULMER. From the same places we are getting the money that we are spending to win this war.

Mr. RICH. The gentleman does not know. The resolution states:

There is hereby authorized to be appropriated such sums as may be necessary to

employ qualified persons as assistants to train rural nonfarm youth.

Where are you going to do this training? Who is going to do the training? And are you going to send these youths to school?

Mr. FULMER. May I say to the gentleman from Pennsylvania that this is right in line with the objectives of the 4-H Clubs' work, it will be a part of it. It is not so much a question of training these boys and girls who live near the farms as it is getting them together and getting them interested in working on the farms. It would be done under existing agencies already charged with this kind of work.

Mr. RICH. The gentleman spoke of getting boys in the cities. Is it the intention to bring men out to the country and take them back, board them, and look after them?

Mr. FULMER. That is exactly what we are seeking to avoid. Once again I state that these boys and girls live in towns and villages near farming areas. There would be no question of expensive transportation involved and they would go back and forth from their homes to the farms, and in some instances stay on the farms for certain periods of work—gathering vegetables and packing fruit, and so forth.

Mr. RICH. A few moments ago the gentleman made a statement to the minority leader when he asked a question about 16- and 17-year-old boys that I want to answer. I know of a boy 16 years old who came to Washington. When he came here they offered him a job up here in the Housing Administration as assistant carpenter, and he got \$1.25 an hour. He spent all summer here. Now he has gone back to enlist in the Army because he will be 18 years old very shortly.

I am thinking of these agencies the gentleman is talking about and the setup that we have down here in the Department of Agriculture, including the Farm Security Administration, the Soil Conservation Service, the A. A. A., the Commodity Credit Corporation, and the county farm agents which they have in every county in the United States of America. I also have in mind the Agricultural Extension Service and the Federal Crop Insurance Corporation, and there is also the Department of Labor, which now has labor offices set up in every town and village in the United States trying to get men to go to various places to work.

I do not think that we ought to establish any other bureau or any other organization to go out and try to teach these children to go out on the farms and go farming because if they can get \$1.25 an hour in town or even 50 cents an hour they are not going to go out and work on the farms. The Federal Government is the greatest offender in this respect in connection with its construction of buildings on the cost-plus basis, which practice it uses in connection with everything it does in the Army. They pay such high wages that you cannot get men in industry. When they cannot get the men they want, they just boost the wages to any height they feel is es-

sential. Since Mr. Byrnes has this job, I do not know whether that will be permitted or not. A man who received \$50 a week in industry can go to some of these shipyards or to some of these places where they are building ordnance plants and other buildings and get \$300 or \$400 or more a month. But remember that every one of those people had to join a union before they could get the job. Uncle Sam today will not let a man go to work on a Government project unless that man joins a union because you have the union racketeer right there who says the man cannot work on that job unless he joins the union. That is a terrible situation.

You are not going to correct that by this bill. I am glad that the gentleman has the idea that he has and I congratulate him because I believe he is going to try to change some of these laws that we have put into effect during the last 3, 4, or 5 years. If you do not do that, this Nation will cease to exist, the Constitution will go out of the window and everything will be wrecked. You will have to change those laws and that is what I want you to do.

This bill ought to be held over until the next session of Congress because you are not going to get any committee from the Appropriations Committee to make an appropriation for it. One other thing, and I want to drive this home, because if you do not correct some of these situations, this Nation will never be able to survive, and this is on account of a lot of the laws we have passed here in the last 8 or 10 years.

You are going to have a dictator, you are going to have a broken-down nation, you are going to have a wrecked Treasury, and all on account of these laws which have been passed during the last 10 years. The fact of the matter is that the President of the United States is now catering to these radical labor leaders and unless he changes his mind, unless he gets the radicals out of labor, something will happen. I do not condemn good, honest labor organizations, but when a man is driven to joining a labor union before he can work for this Government of ours, then I say you have gone beyond what our forefathers had in mind when they established this country. These laws were all wrong and we will never be right in this country until we get rid of the radicals.

If we pass this bill and put it into effect I question very much that you will get the children to go out and work on the farms. You will have to educate them.

Mr. FULMER. Let me make a short statement, if you please. This bill proposes to do just what the gentleman is contending for. There is not a line in the bill creating any agency or bureau and none can take part in this. It is up to the extension agency and those who are on the ground floor and without any extra cost except getting the boys together and doing the thing that the gentleman has always been fighting for. This is in line with his philosophy.

Mr. RICH. I have looked over this bill very carefully and I have tried to get some good from it. I want to say that if we had the gentleman at the head of the Department of Agriculture and if

partment of Agriculture because of the failure of the seller to give notice of the sales to the Department within the time prescribed by the applicable regulations: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

REGULATION OF BARBERS IN THE DISTRICT OF COLUMBIA

The Senate proceeded to consider the bill (H. R. 5444) to amend the act to regulate barbers in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia with an amendment on page 4, line 10, before the word "showing", to strike out the word "proper."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

BILL PASSED OVER

The bill (H. R. 6171) to amend an act entitled "An act in relation to taxes and tax sales in the District of Columbia," approved February 28, 1898, as amended, was announced as next in order.

Mr. McCARRAN. I ask that the bill go over.

The PRESIDING OFFICER. The bill will be passed over.

COORDINATION OF FEDERAL REPORTING SERVICES—CONFERENCE REPORT

Mr. SCHWARTZ. Mr. President, I submit a conference report on a bill just read, and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. The report will be read.

The Chief Clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 1666) to coordinate Federal reporting services, to eliminate duplications and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Federal Reports Act of 1942'.

"Sec. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as prac-

ticable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

"Sec. 3. (a) With a view to carrying out the policy of this Act, the Director of the Bureau of the Budget (hereinafter referred to as the 'Director') is directed from time to time (1) to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information and existing facilities of the established Federal departments and independent agencies.

"(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons, will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification shall be made except after investigation and hearing as hereinbefore provided.

"(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

"(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

"(e) For the purposes of this Act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this Act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: *Provided*, That the provisions of this Act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department: *Provided further*. That the provisions of this Act

shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

"Sec. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

"(b) Information obtained by a Federal agency from any person or persons may, pursuant to this act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

"Sec. 5. No Federal agency shall conduct or sponsor the collection of information, upon identical items, from 10 to more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection,

"(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

"(b) The Director shall have stated that he does not disapprove the proposed collection of information.

"Sec. 6. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this act.

"Sec. 7. As used in this act—

"(a) The term 'Federal agency' means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the General Accounting Office nor the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

"(b) The term 'person' means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

"(c) The term 'information' means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from 10 or more persons other than

agencies, instrumentalities, or employees of the United States, or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

"Sec. 8. Any person failing to furnish information required by any such agency shall be subject to such penalties as are specifically prescribed by law, and no other penalty shall be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege, priority, allotment, or immunity, except when the right, privilege, priority, allotment, or immunity, is legally conditioned on facts which would be revealed by the information requested.

"Sec. 9. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this act."

And the House agree to the same.

ALLEN J. ELLENDER,
H. H. SCHWARTZ,
ROBERT A. TAFT,
GEORGE D. AIKEN,

Managers on the part of the Senate.

WILL M. WHITTINGTON,
JOHN F. HUNTER,
HENRY O. TALLE,

Managers on the part of the House.

Mr. BARKLEY. Mr. President, the Senator said that he was presenting a conference report on a bill just read. Evidently it cannot be a conference report on a bill that is on the calendar.

Mr. SCHWARTZ. I was informed by the clerk that the bill had just been read. I could not hear all that was going on because what seem to be in the nature of general conventions are being held on various parts of the Senate floor.

The PRESIDING OFFICER. This is an entirely different bill, but the conference report is in order. Is there objection to the immediate consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is on agreeing to the report.

The report was agreed to.

HOURS OF LABOR OF FEMALES EMPLOYED IN THE DISTRICT

The bill (H. R. 7447) to amend an act entitled "An act to regulate the hours of employment and safeguard the health of females employed in the District of Columbia," approved February 24, 1914, was considered, ordered to a third reading, read the third time, and passed.

BILL PASSED OVER

The bill (S. 2768) to authorize the use for war purposes of silver held or owned by the United States was announced as next in order.

Mr. McCARRAN. I ask that the bill go over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

MEANS OF EGRESS FROM BUILDINGS IN THE DISTRICT

The Senate proceeded to consider the bill (H. R. 5486) to provide for means of egress from buildings in the District of Columbia, and for other purposes, which had been reported from the Committee on the District of Columbia, with amendments.

The first amendment was, in section 1, page 1, line 9, after the word "height", to strike out "in which sleeping quarters for the accommodation of 10 or more persons are provided above the first floor."

The amendment was agreed to.

The next amendment was, in the same section, page 2, line 7, after the word "building", to strike out "and in addition thereto municipal fire-alarm connection, to be connected directly or indirectly to the municipal fire-alarm central-office headquarters, or a firm-alarm system reporting through a private central station connected with the municipal fire-alarm central-office headquarters for any building five or more stories in height, or for any building three or more stories in height having a single floor area of over 35,000 square feet."

The amendment was agreed to.

The next amendment was, in section 4, page 3, line 14, after the word "stations", to strike out "municipal firm-alarm connection, connections to the municipal firm-alarm central-office headquarters, or through a central station."

The amendment was agreed to.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time and passed.

ENSIGN DONALD L. GRUNSKY

The bill (S. 2790) for the relief of Donald L. Grunsky, was announced as next in order.

Mr. WALSH. Mr. President, calendar number 1823, House bill 7653 is identical with the Senate bill, the title of which has just been stated. I ask unanimous consent that the House bill be substituted for the Senate bill and be now considered.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill (H. R. 7653) for the relief of Ensign Donald L. Grunsky was considered, ordered to a third reading, read the third time, and passed.

Mr. WALSH. I move that Senate bill 2790 for the relief of Donald L. Grunsky, be indefinitely postponed.

The motion was agreed to.

BILL PASSED OVER

The bill (S. 2900) to authorize the Reconstruction Finance Corporation to issue notes, bonds, and debentures in the sum of \$5,000,000,000 in excess of existing authority, was announced as next in order.

Mr. McNARY and Mr. VANDENBERG asked that the bill be passed over.

The PRESIDING OFFICER. The bill will be passed over.

GEORGE GEIS AND ADMINISTRATOR OF ESTATE OF JOSEPH GLASER

The bill (H. R. 1646) for the relief of George Geis, and the administrator of the estate of Joseph Glaser, deceased, was considered, ordered to a third reading, read the third time, and passed.

UPHAM TELEPHONE & ELECTRIC CO.

The bill (H. R. 194) for the relief of the Upham Telephone & Electric Co.,

Upham, N. Dak., was considered; ordered to a third reading, read the third time, and passed.

ROBERT T. GROOM ET AL.

The Senate proceeded to consider the bill (S. 2375) for the relief of Robert T. Groom, Daisy Groom, and Margaret Groom, which had been reported from the Committee on Claims with amendments, on page 2, line 2, after the name "Groom", to strike out "\$3,000" and insert "\$952"; in line 4, after the name "Groom", to strike out "\$5,500 as compensation for personal injuries sustained", and insert "\$4,000 as compensation for all damages, including hospitalization, suffered"; at the beginning of line 7, to strike out "\$7,500", and insert "\$3,500"; and in the same line, after the word "compensation", to strike out "for personal injuries sustained" and insert "for all damages including hospitalization suffered"; so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Robert T. Groom, Daisy Groom, his wife, and Margaret Groom, his daughter, all of Murfreesboro, Tenn., the respective sums hereinafter specified in full satisfaction of their claims against the United States arising out of a collision which occurred near Murfreesboro, Tenn., on October 21, 1941, when an automobile driven by Robert H. Pate, a United States mail carrier, ran into the automobile of the said Robert T. Groom: To the said Robert T. Groom, \$952 as compensation for property damage and other damages sustained by him, to the said Daisy Groom, \$4,000 as compensation for all damages, including hospitalization, suffered by her; and to the said Margaret Groom, \$3,500 as compensation for all damages, including hospitalization, suffered by her: *Provided,* That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding \$1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

MRS. CHING SHEE

The bill (H. R. 6370) for the relief of Mrs. Ching Shee (Ching Toy Wun), was considered, ordered to a third reading, read the third time, and passed.

PAY AND ALLOWANCES OF ARMY NURSE CORPS

The Senate proceeded to consider the bill (H. R. 7633) to increase the pay and allowances of members of the Army Nurse Corps, and for other purposes, which had been reported from the Committee on Military Affairs with amendments.

The first amendment was, in section 1, page 1, line 5, before the word "allowances", to strike out "money."

The amendment was agreed to.

The next amendment was, in the same section, line 5, after the word "allowances", to strike out "including" and

Line 5-7

[PUBLIC LAW 831—77TH CONGRESS]

[CHAPTER 811—2D SESSION]

[S. 1666]

AN ACT

To coordinate Federal reporting services, to eliminate duplication and reduce the cost of such services, and to minimize the burdens of furnishing information to Federal agencies.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Reports Act of 1942".

SEC. 2. It is hereby declared to be the policy of the Congress that information which may be needed by the various Federal agencies should be obtained with a minimum burden upon business enterprises (especially small business enterprises) and other persons required to furnish such information, and at a minimum cost to the Government, that all unnecessary duplication of efforts in obtaining such information through the use of reports, questionnaires, and other such methods should be eliminated as rapidly as practicable; and that information collected and tabulated by any Federal agency should insofar as is expedient be tabulated in a manner to maximize the usefulness of the information to other Federal agencies and the public.

SEC. 3. (a) With a view to carrying out the policy of this Act, the Director of the Bureau of the Budget (hereinafter referred to as the "Director") is directed from time to time (1) to investigate the needs of the various Federal agencies for information from business enterprises, from other persons, and from other Federal agencies; (2) to investigate the methods used by such agencies in obtaining such information; and (3) to coordinate as rapidly as possible the information-collecting services of all such agencies with a view to reducing the cost to the Government of obtaining such information and minimizing the burden upon business enterprises and other persons, and utilizing, as far as practicable, the continuing organization, files of information and existing facilities of the established Federal departments and independent agencies.

(b) If, after any such investigation, the Director is of the opinion that the needs of two or more Federal agencies for information from business enterprises and other persons will be adequately served by a single collecting agency, he shall fix a time and place for a hearing at which the agencies concerned and any other interested persons shall have an opportunity to present their views. After such hearing, the Director may issue an order designating a collecting agency to obtain such information for any two or more of the agencies concerned, and prescribing (with reference to the collection of such information) the duties and functions of the collecting agency so designated and the Federal agencies for which it is to act as agent. Any such order may be modified from time to time by the Director as circumstances may require, but no such modification

shall be made except after investigation and hearing as hereinbefore provided.

(c) While any such order or modified order is in effect, no Federal agency covered by such order shall obtain for itself any information which it is the duty of the collecting agency designated by such order to obtain.

(d) Upon the request of any party having a substantial interest, or upon his own motion, the Director is authorized within his discretion to make a determination as to whether or not the collection of any information by any Federal agency is necessary for the proper performance of the functions of such agency or for any other proper purpose. Before making any such determination, the Director may, within his discretion, give to such agency and to other interested persons an adequate opportunity to be heard or to submit statements in writing. To the extent, if any, that the Director determines the collection of such information by such agency is unnecessary, either because it is not needed for the proper performance of the functions of such agency or because it can be obtained from another Federal agency or for any other reason, such agency shall not thereafter engage in the collection of such information.

(e) For the purposes of this Act, the Director is authorized to require any Federal agency to make available to any other Federal agency any information which it has obtained from any person after the date of enactment of this Act, and all such agencies are directed to cooperate to the fullest practicable extent at all times in making such information available to other such agencies: *Provided*, That the provisions of this Act shall not apply to the obtaining or releasing of information by the Bureau of Internal Revenue, the Comptroller of the Currency, the Bureau of the Public Debt, the Bureau of Accounts, and the Division of Foreign Funds Control of the Treasury Department: *Provided further*, That the provisions of this Act shall not apply to the obtaining by any Federal bank supervisory agency of reports and information from banks as provided or authorized by law and in the proper performance of such agency's functions in its supervisory capacity.

SEC. 4. (a) In the event that any information obtained in confidence by a Federal agency is released by that agency to another Federal agency, all the provisions of law (including penalties) which relate to the unlawful disclosure of any such information shall apply to the officers and employees of the agency to which such information is released to the same extent and in the same manner as such provisions apply to the officers and employees of the agency which originally obtained such information; and the officers and employees of the agency to which the information is released shall in addition be subject to the same provisions of law (including penalties) relating to the unlawful disclosure of such information as if the information had been collected directly by such agency.

(b) Information obtained by a Federal agency from any person or persons may, pursuant to this Act, be released to any other Federal agency only if (1) the information shall be released in the form of statistical totals or summaries; or (2) the information as supplied by persons to a Federal agency shall not, at the time of collection, have been declared by that agency or by any superior authority to be confidential; or (3) the persons supplying the information shall

consent to the release of it to a second agency by the agency to which the information was originally supplied; or (4) the Federal agency to which another Federal agency shall release the information has authority to collect the information itself and such authority is supported by legal provision for criminal penalties against persons failing to supply such information.

SEC. 5. No Federal agency shall conduct or sponsor the collection of information, upon identical items, from ten to more persons (other than Federal employees considered as such) unless, in advance of adoption or revision of any plans or forms to be used in such collection,

(a) The agency shall have submitted to the Director such plans or forms, together with copies of such pertinent regulations and other related materials as the Director shall specify; and

(b) The Director shall have stated that he does not disapprove the proposed collection of information.

SEC. 6. The Director is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

SEC. 7. As used in this Act—

(a) The term "Federal agency" means any executive department, commission, independent establishment, corporation owned or controlled by the United States, board, bureau, division, service, office, authority, or administration in the executive branch of the Government; but such terms shall not include the General Accounting Office nor the governments of the District of Columbia and of the Territories and possessions of the United States, and the various subdivisions of such governments.

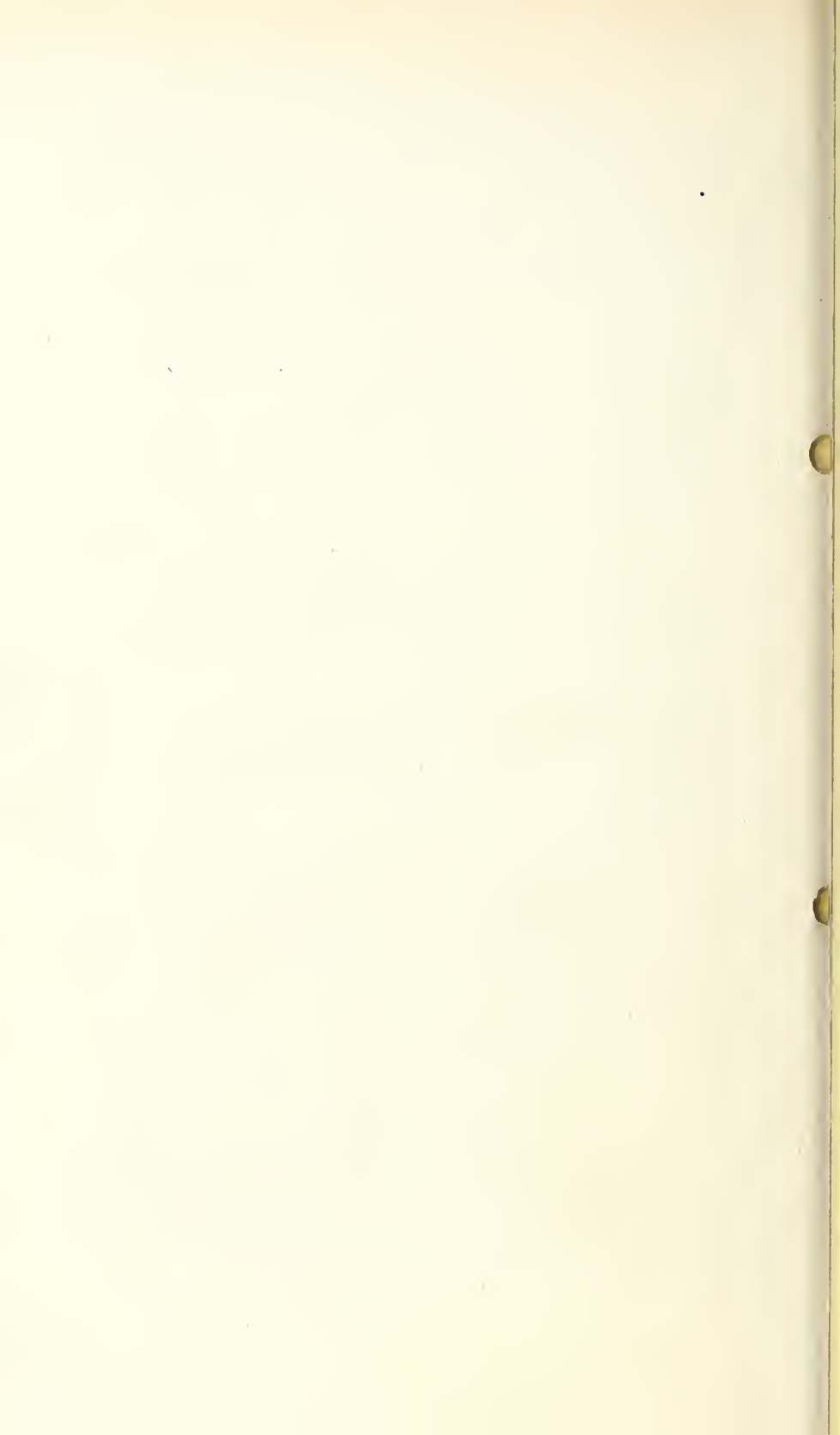
(b) The term "person" means any individual, partnership, association, corporation, business trust, or legal representative, any organized group of persons, any State or Territorial government or branch thereof, or any political subdivision of any State or Territory or any branch of any such political subdivision.

(c) The term "information" means facts obtained or solicited by the use of written report forms, application forms, schedules, questionnaires, or other similar methods calling either (1) for answers to identical questions from ten or more persons other than agencies, instrumentalities, or employees of the United States or (2) for answers to questions from agencies, instrumentalities, or employees of the United States which are to be used for statistical compilations of general public interest.

SEC. 8. Any person failing to furnish information required by any such agency shall be subject to such penalties as are specifically prescribed by law, and no other penalty shall be imposed either by way of fine or imprisonment or by the withdrawal or denial of any right, privilege, priority, allotment, or immunity, except when the right, privilege, priority, allotment, or immunity, is legally conditioned on facts which would be revealed by the information requested.

SEC. 9. There are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this Act.

Approved, December 24, 1942.



REDUCTION OF NONESSENTIAL FEDERAL
EXPENDITURES

ADDITIONAL REPORT

OF THE

JOINT COMMITTEE ON REDUCTION
OF NONESSENTIAL FEDERAL EXPENDITURES
CONGRESS OF THE UNITED STATES

PURSUANT TO

SECTION 601 OF THE REVENUE ACT OF 1941

AND

S. CON. RES. 38
(77th Congress)FEBRUARY 11, 1943—Referred to the Committee on Appropriations
and ordered to be printedUNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1943

CONGRESS OF THE UNITED STATES

JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

CREATED PURSUANT TO SECTION 601, OF THE REVENUE ACT OF 1941

HARRY FLOOD BYRD, Senator from Virginia, *Chairman*

ROBERT L. DOUGHTON, Representative from North Carolina, *Vice Chairman*

SENATE

WALTER F. GEORGE, Senator from Georgia.
ROBERT M. LA FOLLETTE, JR., Senator from
Wisconsin.
CARTER GLASS, Senator from Virginia.
KENNETH McKELLAR, Senator from Ten-
nessee.
GERALD P. NYE, Senator from North Dakota.

HOUSE OF REPRESENTATIVES

THOMAS H. CULLEN, Representative from New
York.
ALLEN T. TREADWAY, Representative from
Massachusetts.
CLARENCE CANNON, Representative from
Missouri.
CLIFTON A. WOODRUM, Representative from
Virginia.
JOHN TABER, Representative from New York;

HENRY MORGENTHAU, JR., *Secretary of the Treasury*
HAROLD D. SMITH, *Director of the Bureau of the Budget*

LETTER OF TRANSMITTAL

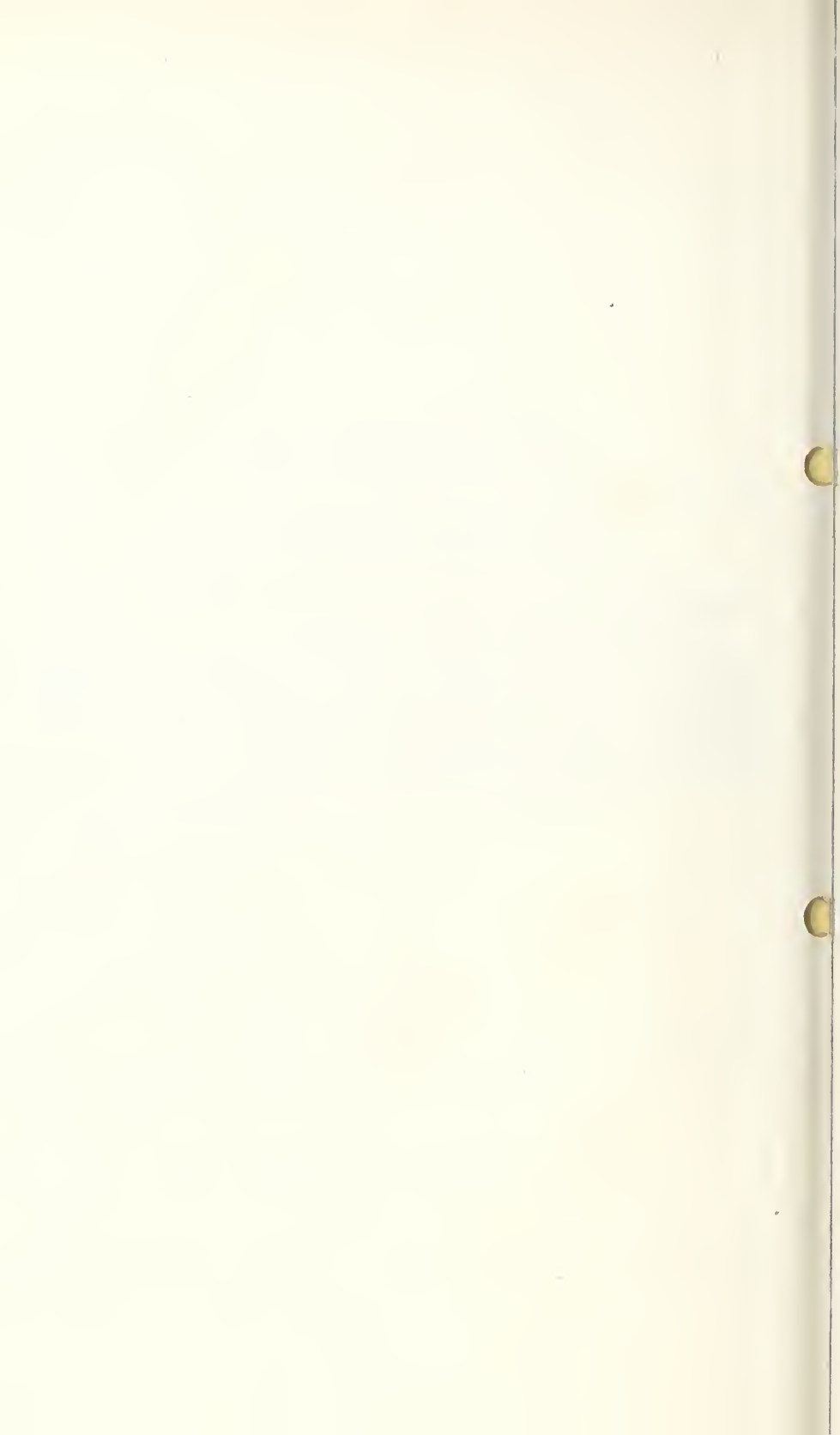
CONGRESS OF THE UNITED STATES,
JOINT COMMITTEE ON REDUCTION OF NON-
ESSENTIAL FEDERAL EXPENDITURES,
February 11, 1943.

The VICE PRESIDENT,
United States Senate, Washington, D. C.

SIR: In accordance with title 6 of the Revenue Act of 1941, Public Law No. 250, Seventy-seventh Congress, as chairman of the Joint Committee on Reduction of Nonessential Federal Expenditures, it gives me pleasure to present to you an additional report of this committee, which I ask that you lay before the Senate of the United States, with a view to its being printed as a Senate document.

Respectfully submitted.

HARRY F. BYRD,
Chairman.



REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

FEBRUARY 11, 1943.

Report to: The PRESIDENT OF THE UNITED STATES.

The VICE PRESIDENT OF THE UNITED STATES, PRESIDENT OF THE SENATE.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

In accordance with title 6 of the Revenue Act of 1941, Public Law No. 250, Seventy-seventh Congress, an additional report herewith is presented by the Joint Committee on Reduction of Nonessential Federal Expenditures.

Senate Concurrent Resolution 38, introduced by Senators Vandenberg and Byrd, was adopted by the Senate. This resolution is as follows:

CONCURRENT RESOLUTION

Resolved by the Senate (the House of Representatives concurring), That the Joint Committee on Reduction of Nonessential Federal Expenditures be directed to investigate the existing methods of all departments and bureaus in respect to the manner and form of questionnaires, reports, and all other methods of inquiry to which citizens and/or corporations are required to respond in connection with all phases of the war effort; and be it further

Resolved. That the committee be directed to report any legislative recommendations which would either eliminate or simplify or concentrate these processes to the end that citizens and/or corporations shall be relieved of any needless irritation, labor, or expense in this connection and that the war effort shall be relieved of any needless obstacles or complications and that the Federal pay rolls shall be relieved of any needless personnel.

In accordance with the mandate contained in this resolution, the Joint Committee on Reduction of Nonessential Federal Expenditures made an investigation of the questionnaires and reports required from the public by the different agencies of Government.

The committee conducted public hearings and heard all the witnesses who desired to testify.

The committee required each agency of the Government to submit to the committee a complete list and a sample of all questionnaires sent out by the various agencies of the Government during the period from July 1, 1941, to December 1, 1942.

The responses made by the agencies show that a total of 7,025 separate and distinct Government reports and questionnaires were required by 48 agencies to be answered by the public.

This figure is exclusive of the reports requested by the Agricultural Adjustment Administration, the Farm Credit Administration, and the Bureau of Agricultural Economics, this information not having been furnished the committee.

This number, also, does not include a large number of letters asking for specific information and only includes the printed forms.

The committee has obtained sample copies of each of the questionnaires and reports, but has not been able to secure from the different agencies exact information as to the number of each report distributed,

although it is indicated that the number sent to corporations and individuals will run into the millions. The Office of Price Administration, for example, has issued and requested statistical data on 7,715,229 report forms, exclusive of rationing forms and instructions.

Number of separate and distinct forms required to be answered by the public

| <i>Agency or department</i> | <i>Number</i> |
|--|---------------|
| Agriculture..... | 642 |
| (Did not furnish figures for Agricultural Adjustment Administration, Farm Credit, or Bureau of Agricultural Economics.) | |
| Department of Commerce: | |
| Reconstruction Finance Corporation..... | 87 |
| Census Bureau..... | 281 |
| Bureau of Foreign and Domestic Commerce..... | 46 |
| Coast and Geodetic Survey..... | 5 |
| Civil Aeronautics Authority..... | 138 |
| Weather Bureau..... | 12 |
| Interior Department..... | 530 |
| Justice Department..... | 27 |
| Labor Department..... | 227 |
| Navy Department..... | 48 |
| State Department..... | 27 |
| Treasury Department..... | 38 |
| War Department..... | 109 |
| Executive Offices of the President: | |
| Office for Emergency Management: | |
| Alien Property Custodian..... | 25 |
| Coordinator of Inter-American Affairs..... | 1 |
| Economic Stabilization Board..... | 2 |
| Office of Civilian Defense..... | 21 |
| Office of Defense Transportation..... | 60 |
| Office of Scientific Research and Development..... | 2 |
| Office of War Information..... | 12 |
| War Manpower Commission..... | 178 |
| War Production Board..... | 741 |
| Board of Economic Warfare..... | 71 |
| Office of Price Administration..... | 1, 096 |
| Civil Aeronautics Board..... | 26 |
| Board of Investigation and Research..... | 28 |
| Civil Service Commission..... | 437 |
| Employees' Compensation Commission..... | 192 |
| Federal Communications Commission..... | 436 |
| Federal Deposit Insurance Corporation..... | 5 |
| Federal Power Commission..... | 62 |
| Federal Security Agency..... | 258 |
| Federal Trade Commission..... | 92 |
| Interstate Commerce Commission..... | 241 |
| Library of Congress..... | 78 |
| Maritime Commission (War Shipping Board)..... | 32 |
| National Archives..... | 1 |
| National Housing Agency..... | 244 |
| National Labor Relations Board..... | 2 |
| Railroad Retirement Board..... | 229 |
| Securities and Exchange Commission..... | 138 |
| Tariff Commission..... | 28 |
| Tennessee Valley Authority..... | 6 |
| Administrative Office of United States Courts..... | 6 |
| Veterans' Administration..... | 10 |
| Federal Works Agency: | |
| Office of Administrator..... | 5 |
| Public Roads Administration..... | 43 |

Total of separate reports required by various agencies of the Government..... 7, 025

(This does not include further information and reports asked for by letters and special requests.)

It would, of course, be a monumental task to analyze each of these carefully as to form and content, and this the committee could not accomplish without a long and exhaustive investigation, but the committee, after a careful survey, reports—

1. That there has been no attempt at uniformity of these numerous reports.

2. The purpose and use of many forms are not clear.

3. Identical information has been requested by several agencies.

4. The Budget Bureau's attempt at uniformity, simplicity, and conciseness has often been circumvented by the use of so-called "administrative forms," which requested statistical data at great length.

5. Many of the questions are couched in language too technical for the small businessman.

6. The forms were not constructed with a view toward saving the businessman or the Government time and money and, in many instances, have been prepared without regard to the accounting practices of the particular industry.

7. Where the purpose of the form is clear many superfluous questions have been added.

8. The investigation of the committee indicated that many of these reports serve no useful purpose; that a great many are filed away by governmental agencies, and the information contained therein is not tabulated.

The committee, of course, appreciates that some reports are necessary, but the vast number of reports requested, and the complexity and details of the questionnaires have, in the judgment of the committee, constituted a serious obstacle to the full utilization of the resources of the country for the war effort. Many business enterprises have been compelled to divert trained personnel from essential and important war work in order to prepare reports, many of which thereafter serve no useful purpose. War production is vastly more important than reports.

It is impossible to estimate the cost of preparing, analyzing, and tabulating these reports on the part of the Government, but this cost is necessarily high. The nearest approximate estimate that can be used is that of Mr. Joseph I. Lubin, former chairman of the War Production Board Committee for Review of Data Requests From Industry, who stated that the War Production Board had eliminated 20 percent of the existing forms and reports and, according to Mr. Lubin, has thereby released the equivalent of 15,000 men working every day, which means a saving of 30,000,000 man-hours a year now consumed in compiling such reports.

The War Production Board issued 741 questionnaires; therefore, the elimination of approximately 140 occasioned this saving in manpower, which, if applied to the entire number of more than 7,000, in similar ratio, the saving of manpower and cost would reach very great proportions.

Mr. Lubin stated that he hoped to reach an elimination of at least 40 percent of these reports. The committee are inclined to the opinion that 60 to 75 percent of the reports now required can be eliminated without in any way impairing the necessary records of the Government.

On the part of private business the cost of preparing these reports has been colossal in comparison to the benefits derived by the Government, and the task of preparing them has confused and discouraged many private business enterprises engaged in essential war work.

An investigation of the more than 7,000 questionnaires impresses the committee with the importance of protecting the businessmen of the country in the emergency now existing from a continuation of the necessity of diverting thousands of trained men from vital war activity to useless paper work.

The committee is driven to the irresistible conclusion that much of this "paper work" involves an intolerable waste of time and resources not only for the victims of these needless inquisitions but also for the Government itself. The committee also could not escape the conclusion that one of the chief sources of unpopularity, irritation, and resentment in connection with rationing and price controls is the nature and extent of the needless complex "reports" too often required by the Government. While fully recognizing that the war effort unavoidably requires a substantial increase in the "paper work" which our unavoidable war controls entail, the committee believes that this necessity should be serviced with a minimum of "red tape" and a maximum of simplicity; and it condemns the excessive, costly, and often unintelligible quiz-mania which has been too often exemplified in some of these bureaucratic zeals.

The committee commends the action of the Bureau of the Budget in accepting all-over control of questionnaires and reports with a view to reducing this burden.

The committee commends the action of the Treasury Department and the War Production Board in voluntarily abandoning some of the "paper work" and commends this excellent example to other branches of the Government.

The committee is hopeful that its clear exposure of this hazard—a menace which frequently actually threatens the war effort itself through a needless diversion of time and effort—will contribute to curbing substantially these excesses, and that the supervision of the Bureau of the Budget will substantially reduce this "paper output."

RECOMMENDATIONS

The committee recommends that the Budget Bureau, under the power it now has, or with additional power granted by Congress, should such be necessary, exercise full and complete control over the various agencies of the Government that are issuing questionnaires and reports not absolutely essential to the prosecution of the war; that the Budget Bureau endeavor not only to simplify but to eliminate most of these 7,025 reports now being required by the Government, and to coordinate the remainder; that, wherever possible, one annual, semiannual, or quarterly report be sent to the Budget Bureau as a central agency, containing the information required by the various agencies; that such reports be filed with the Budget Bureau and be accessible to the other agencies of government that need the information; that the entire question of these unnecessary reports is of such paramount importance that it be reviewed and simplified by further

planning and coordination on the part of all Government agencies under the central control of the Budget Bureau; that the questionnaire mania be curbed by persuasion, if possible, and, if not, by strong congressional action.

The committee further recommends that the appropriation bills limit definitely the amount available to each agency of the Government issuing forms and questionnaires; that full information as to the number of reports issued, their character and purpose, be made a part of the records of the respective appropriations committees, so that such information will be readily available as to the number printed and distributed, and the cost thereof.

By exercising such careful supervision of that part of the appropriation available for the preparation, analysis, and cost of printing and distributing the reports, the Congress can retain in a very effective measure control over this questionnaire problem in the event proper cooperation of the various agencies affected is not forthcoming.

ADDENDA TO THE REPORT

ANALYSIS OF TESTIMONY AND INFORMATION RECEIVED BY THE COMMITTEE

A survey of 89 companies in 10 war industries revealed that 84 of these units completed 3,479 Government reports in the second quarter of 1942. This is an average of 164 reports per company per year. Industries with the heaviest war production carry the heaviest burden of reports. To complete the forms, the 89 companies require a total of 495,480 man-hours a year. Of this total, 13 percent is for nonrecurring and 87 percent for recurring reports. The machinery group of manufacturers believes that 43 percent of these reports are unnecessary.

In the Worthington Machinery & Pump Corporation, which employs 4,000 people, 6 departments must perforce devote full time to the preparation of 545 reports of 66 different types; in addition, there are 478 reports to 80 State, county, and city governments. Reports vary from 1 to 20 pages in length, and the number of questions varies from 10 to 100. The cost of the Federal reports for this corporation alone is approximately \$90,000 a year.

Manufacturers declare that Federal red tape delays production and lengthens the war. Priorities and allocations involve entirely new sets of routines. Allocations of vital war materials to a plant must frequently wait until all other plants in the same production field have placed their requisitions.

In his testimony, Eric A. Johnston, president of the United States Chamber of Commerce, told our committee that "it requires a Philadelphia lawyer or an Indian crystal gazer to figure out the answers to some Government questionnaires." He said the requirements for necessary and basic information in wartime are bound to place a great burden on individuals and business concerns. "That makes it all the more important," he declared, "that requests for information should be kept at a minimum and be put in such form as to make for practical replies and utilization of their contents."

The War Production Board reports that a large automobile company complained that preparation of Government forms cost \$125,000

and required more than 100,000 man-hours. In another large industry elimination of a single form will save 400,000 man-hours annually and also 100,000 man-hours for the Government.

Senator Vandenberg told the committee about a Chicago businessman who employs some 2,000 men. Excluding tax and social-security reports, it cost this firm \$55,000 in 9 months to answer Government questionnaires.

A large drug manufacturer testified that some Office of Price Administration reports are impossible to fill out, both from the standpoint of time involved and ability to understand what is wanted. For example, it would take months to determine how to proceed with Report 1-1071 PL of 5 ROBV-COS-WP, entitled "Report on New Proprietary or Cosmetic Product." This one dealt with new products. Later it was revised to include any alteration in the size, style, and shape of the container or formula of any existing product. Mostly at the request of the War Production Board, hundreds of these changes have occurred in products marketed before March 1942. Bottles are now used to replace cartons; corks, to replace caps; glassine paper and label varnish have been eliminated. Now the company is asked by Office of Price Administration to go back to March and fill out forms for every change made in 450 products and about 1,200 sizes. This involves 600 to 800 changes requiring 600 to 800 reports. This would require months because it takes a competent man from 1 to 2 days to make a report. All this is supposed to be for price approval by the Office of Price Administration, although the law has already fixed these prices as of March.

The same manufacturer testified that his company has recently completed work on a product designed to reduce the mortality rate of 16 children a day who die of whooping cough. The Office of Price Administration was requested to act promptly on the price rate for this formula so that the company could market the product and save human lives. Weeks passed. Telephone calls brought no action. After 6 weeks a price was received from the Office of Price Administration. This procedure would be necessary for each of the 600 items.

The manufacturer presented to us another report, OPA Form Q-51, Budget Bureau No. 08-ST029-42. Completed, it would be 4 feet wide and 20 feet long. The company was unable to discover the purpose of the report, which was supposed to be completed in 4 days. The first page asked for the following: Name of product, unit ingredient cost, unit fabricating cost, unit factory overhead, unit administrative expense, unit sales, and advertising expense, etc.

To make matters worse, the Office of Price Administration asked for a type of cost break-down different from that of the Treasury Department and different also from that of previous Office of Price Administration questionnaires. The manufacturer said that assignment of unit cost to a vitamin product would involve administrative expense and research which could not be estimated. He said the probable cost of filling out all Federal questionnaires would be over \$100,000 annually in a firm of 3,800 employees. Office of Price Administration, War Production Board, the Treasury Department, and the Department of Commerce all require separate reports.

Another manufacturer testified the latest Office of Price Administration report was the straw that breaks the camel's back. Declaring there had been a 90 percent turn-over of personnel in his accounting

department since January this witness could not determine when the report might be completed, although it was due November 7. It would require, he estimated, 300 to 350 additional hours of work by a highly experienced employee. In July, two men from the Office of Price Administration visited this manufacturer and asked for detailed information covering 31 sheets. They wanted the material in 2 days and a large number of people were taken from their work to prepare it. In November the same Office of Price Administration man asked for much the same information on another vitamin questionnaire. The manufacturer told our committee that civilian needs and greatly increased war needs, plus a labor shortage, made the compiling of all this information virtually impossible.

A witness from a large industrial laboratory told us of duplication in questionnaires on vitamins issued by the Office of Price Administration, the Fish and Wild Life Service, the Bureau of the Census, and the Army-Navy Munitions Board. Two of these questionnaires have been changed from a quarterly to a monthly basis.

A representative of a large contractors' association said his office has sent out 178 bulletins explaining governmental regulations. These concerns must file 47 to 52 reports for the Treasury Department, the Office of Defense Transportation, the Office of Price Administration, and the War Production Board. Form No. 21 of the Office of Defense Transportation requires 6 or 7 reports, some recorded daily, some monthly. Involved questions are asked, such as tire mileage for each tire, mileage for each vehicle per year and an estimate for the next half year, number of trips, average load per trip, gallons of gasoline used, and so forth.

Senator Vandenberg presented a letter to the committee from a Kansas farmer who had filled out a two-page report in order to get a pair of rubber boots. If he lost the boots he was subject to a \$10,000 fine or 10 years' imprisonment.

Eastman Kodak employs 84 persons 3,224 hours a week, enough to build 3 flying fortresses, to complete 409 reports for each quarter.

Constructive criticism includes:

1. Clarify subject matter.
2. Allow sufficient space for reply.
3. Eliminate superfluous requests for information.
4. Avoid "peaking" the reports required.
5. End duplication.
6. Don't penalize a company on priority by failing to win the "paper race."
7. Change method by which companies must wait until all similar companies have filed returns for priorities.

Mr. Fred A. Baughan, of the Retail Food Dealers Association of California, was the next witness. Mr. Baughan testified as to the complexity of regulations issued by the Office of Price Administration, pointing out that calculations must be made on 1,800 to 3,600 items by the neighborhood grocer. He also expressed the belief that Office of Price Administration regulations, red tape, and price ceilings will eventually force all small-size grocery stores out of business. According to Mr. Baughan, the lists which the retailers have compiled—tons and tons of them—remain piled up in the garages of California, unexamined by anyone, unclassified by anyone.

The average number of reports and questionnaires from a business of moderate size is as follows:

1. Federal Power Commission.
2. United States Department of Agriculture.
3. United States Department of Justice.
4. Federal Communications Commission.
5. War Production Board.
6. Interstate Commerce Commission.
7. Office of Price Administration.
8. Bureau of Internal Revenue.
9. Social Security Board.
10. Federal Trade Commission.
11. Salary Stabilization Unit—Bureau of Internal Revenue.
12. Federal Manpower Commission.
13. National War Labor Board.
14. Wage and Hour Division.
15. Alcohol Tax Unit—Treasury Department.
16. Board of Economic Warfare.
17. Defense Savings Staff—War Bonds—United States Treasury Department.
18. Collector of Internal Revenue—Richmond.
19. Collector of Customs.
20. War Department.
21. Navy Department.
22. United States Department of Labor—Labor Statistics.
23. United States Department of Commerce.
24. Office of Defense Transportation.

One company furnished the committee with the following information as to the cost of the preparation of these reports:

| | |
|--|------------|
| Number of Federal bureaus or agencies which requested information..... | 24 |
| Number of types of reports or questionnaires..... | 134 |
| Number of reports submitted..... | 24, 160 |
| Man-hours required to prepare information..... | 132, 560 |
| Cost of personnel..... | \$192, 500 |

The cost shown above does not include related expenses, such as traveling, telephone, telegraph, postage, and rent.

On the basis that there are 43,000,000 people gainfully employed (not including agriculture), it would indicate that the time of 188,000 persons is consumed in preparing Federal Government data. This number would be increased if it were to include the man-hours used in agriculture to prepare the many Federal returns required in that field.

The problem of answering questionnaires and making reports to the Government has become so great that it has been necessary to assign to an executive of the company the full-time job of following up this matter. This man is specializing in this field and at the present time one other man is devoting his full time to the study of priorities as it affects the company.

Mr. Hugh F. Hall represented the American Farm Bureau. Mr. Hall testified that the questionnaires sent to farmers had a deleterious effect in that farmers were overwhelmed by the enormity of the problem of estimating past and future gasoline consumption, mileage, etc. The impracticability of the questionnaires, the consumption of time in filling them out, the lack of understanding by officials of farmers' problems, all caused Mr. Hall to believe that the paper work required of farmers is overdone. Many will suffer. Some will not be able to harvest. Ultimately the purpose of the questionnaires will be defeated.

Mr. Fred Brenckman, of the National Grange, testified that farmers, for-hire operators, and large utility companies are harassed by complicated questionnaires which ask questions no one can answer.

Mr. Brenckman suggested suspending regulations that have been issued so far as they affect operation of farm trucks, and call in committees of practical farmers to assist in the preparation of a conservation program that will meet the desired objectives.

OBJECTIONS TO QUESTIONNAIRES AS REPORTED TO THE COMMITTEE

1. Severin Electric Co., San Francisco, Calif.: "Overhead costs due to questionnaires have increased 35 percent. Questionnaires have delayed vital work—cannot get manpower to do the job—has to put keymen on this job."

2. T. L. Rosenberg Co., Oakland, Calif.: "Questionnaires and Government requirements of forms, etc., have caused increase of 5 percent overhead—loss in productive manpower is 1 percent—increased field staff 7 to 10 percent."

3. Pacific Electric Motor Co., Oakland, Calif.: "Questionnaires and forms cause 14.6 percent direct increase in overhead, and a loss in productive manpower equal to five employees on a 44-hour week."

4. S. C. Sachs Co., St. Louis, Mo.: "Government questionnaires and forms has increased office personnel 55 percent."

5. Carl I. Schaeffer Electric Co., St. Louis, Mo.: "Government forms and red tape have increased overhead 2 percent—loss in productive manpower equals 25 percent."

6. Hensley Electric Co., Fort Worth, Tex.: "34 percent of total man-hours devoted to Government forms, etc."

7. Mill & Marine Electric, Inc., Gastonia, N. C.: "Burdensome forms, questionnaires, etc., of Government costing us 30 percent more to handle business—taking into consideration inexperienced men overhead would be nearer 50 percent."

8. Charles A. Langlais, San Francisco, Calif.: "Object to Office of Price Administration and Labor Department questionnaires and forms—increased cost of doing business 25 percent and decreased available manpower, 25 percent."

9. Huntington & Guerry, Greenville, S. C.: "Estimate questionnaires and forms increase expenses 10 percent and field staff expense increased 50 percent."

10. Electric Constructors, Inc., Pascagoula, Miss.: "Red tape increases overhead from 10 to 20 percent, aggravated by lack of manpower."

11. Paul Heydon: "Six contractors say increased overhead as follows: First, 5 percent; second, 10 percent; third, 5 percent; fourth, 5 percent; fifth, 7 percent; sixth, 3 percent—average, 5.83 percent."

12. National Electrical Contractors, Fort Worth, Tex.: "Contractors there say 15 to 20 percent increase in overhead and 30 percent loss in man-hours."

13. Webb Electric Co., Anderson, S. C.: "Red tape increased overhead and man-hours 48 percent."

14. Jack Moorman, Shreveport, La.: "60 percent office time used on red tape, 15 percent supervisor's time, 15 percent total manpower. OPA Form 251 is impossible."

15. C. C. C. Cadwallader, Detroit, Mich.: "12 contractors reporting show 12 percent increase in overhead; delays hard to estimate."

16. E. H. Herzberg, Milwaukee, Wis.: "Government red tape caused among contractors the following: One additional stenographer, 50 percent supervisor's time, 50 percent manager's time, 35 percent bookkeeper's time, 25 percent supervisor's time, 33 percent manager's time, overhead 20 percent higher, overhead 5 percent higher, overhead 10 percent higher, 80 percent manager's time."

17. Brooker Engineering Co., Detroit, Mich.: "Red tape causes increase in overhead of 25 percent; productive manpower loss, 50 to 75 percent; causes delay in executing contracts."

18. R. H. Bouligny, Inc., Charlotte, N. C.: "Loss is 5 percent; ties up keymen; time required 5 percent."

19. White Electrical Construction Co., Atlanta, Ga.: "Serious burden—increased overhead 10 percent; can't see what use could be made of information."

20. Enterprise Electrical Co., Philadelphia, Pa.: "Increased overhead 10 percent—no uniform procedure on Office of Price Administration forms, etc.; red tape is awful and hinders war effort."

21. Foshee Electric Co., Fort Worth, Tex.: "Increases overhead 25 to 30 percent. Information requested is useless."

22. Davenport Electric Contract Co., Davenport, Iowa: "Increases overhead 9 percent and we pass it off on the public."

23. Leithner & Weishar, Rock Island, Ill.: "Increased overhead 15 percent—caused us to refuse contracts over \$500. Believe 95 percent of questionnaires are unopened by Government."

24. Tennessee Armature Electric Co., Knoxville, Tenn.: "Three contractors in city overhead jumped 30 percent; ours has jumped 45 percent."

25. Southern Electric Service Co., Inc., Charlotte, N. C.: "Increased personnel 7 percent and increased overhead of \$1,200 per month."

26. Eugene Ashe Electric Co., Fort Worth, Tex.: "40 percent of total man-hours used on Government forms, etc."

27. Bryant Electric Co., High Point, N. C.: "Increased productive labor cost 6 to 7 percent."

28. Chewing & Wilmer, Richmond, Va.: "Increase in cost is 13 percent."

29. Ross Electric Construction Co., Philadelphia, Pa.: "Increased work 15 to 20 percent. Can't understand need for 20 copies of each form. Complained to the Office of Price Administration, citing drive on scrap paper, when so much was used in forms, etc."

30. Beacon Electrical Engineering & Construction Co., Buffalo, N. Y.: "Our members report increase in cost as follows: 30, 20, 40, 50, 50, 10, 40, 50, 40, and 40 percent. Strenuous objection to Form OPA 251."

31. Shreveport Electrical Contractors Association, Shreveport, La.: "Increase in cost of operation of members are respectively: 34, 38, 37, and 32 percent."

32. National Electrical Contractors Association, Los Angeles, Calif.: "4-percent increase in overhead, 2½-percent loss of productive manpower, 2.43-percent increase in staff."

33. National Electrical Contractors Association, Atlanta, Ga.: "Increased cost, 20 percent."

34. Empire Electric Co., Fort Worth, Tex.: "Increased total job cost, 5 percent; increased overhead, 50 percent."

35. Robinson Electrical Co., Philadelphia, Pa.: "Increases cost of every job 1 percent and one extra employee."

36. Electrical Employers' Association, Cincinnati, Ohio: "Eight contractors report average of 15.8-percent overhead increase, of 43-percent loss in productive manpower, of 25.4-percent increase in field staff."

37. Tri-City Electric Co. of Iowa, Davenport, Iowa: "Increase of 5 to 15 percent of overhead."

38. Robbins Electric Co., Moline, Ill.: "Increase overhead 2 to 5 percent per customer. Object to M. P. R. 251."

39. Richardson-Wayland Electrical Corporation, Roanoke, Va.: "Increased cost from 10 to 15 percent plus confusion due to nonconformity and lack of standardization of forms and answers. Objects to Office of Defense Transportation, Federal Works Agency, and Office of Price Administration red tape and confusion and duplications."

40. Independent Electrical Machinery Co., Kansas City, Mo.: "Increased clerical help, 20 percent; loss of productive manpower, 8 to 10 hours per day; increased cost, 15 percent."

41. Alber Electric Co., Kansas City, Mo.: "Increased overhead, 10 percent; 20-percent loss in productive manpower, 5-percent increase in field staff."

42. Evans Electrical Construction Co.: "Increase in overhead, 25 percent; loss in manpower, 20 percent; increase in staff, 15 percent."

43. Squire Electric Co., Kansas City, Mo.: "Overhead increased 33 percent, increase in field staff of 25 percent."

44. W. T. Foley Electric Co., Kansas City, Mo.: "Overhead increase, 10 percent; loss in manpower, 25 percent; increase in staff, 10 percent."

American Paper & Pulp Co., New York, N. Y.:

| | Company A | Company B | Company C |
|--|--------------|--------------|-----------------|
| 1. The approximate number received in quarter ending Sept. 30, 1942: | | | |
| A. Recurring..... | 62 | 154 | 48 |
| B. Nonrecurring..... | 7 | 4 | ¹ 76 |
| C. Total..... | 69 | 158 | 124 |
| 2. Estimate of man-hours required to complete these reports: | | | |
| A. Recurring..... | 2,725 | | 1,079 |
| B. Nonrecurring..... | 234 | | 1,008 |
| C. Total..... | 2,959 | 3,442 | 2,087 |
| 3. Estimate of cost of completing reports: | | | |
| A. Recurring..... | \$3,299 | | \$3,176 |
| B. Nonrecurring..... | 386 | | 2,079 |
| C. Total..... | 3,685 | \$3,966 | 5,473 |

¹ Includes PD 1A.

